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LEGISLATIVE HISTORY

H. R. 7774

VETOED

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Index and Summary of H. R. 7774

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- Jan. 7, 1953 Sen. McCarran introduced S. 27 which was referred to Senate Committee on Judiciary. Print of bill as introduced.
- June 23, 1953 Rep. Crumpacker introduced H. R. 5889 which was referred to House Committee on Armed Services. Print of bill as introduced.
- Feb. 8, 1954 Rep. Hagen (Minn.) introduced H. R. 7774 which was referred to House Committee on Post Office and Civil Service. Print of bill as introduced.
- Mar. 4, 1954 House committee ordered H. R. 7774 reported.
- Mar. 10, 1954 House committee reported H. R. 7774 with amendments. House Report No. 1344. Print of bill and report.
- Apr. 5, 1954 House passed H. R. 7774 with amendments.
- Apr. 6, 1954 H. R. 7774 was referred to Senate Committee on Post Office and Civil Service. Print of bill as referred.
- July 28, 1954 Senate committee reported H. R. 7774 with amendments. S. Rept. 1993. Print of bill as reported and report.
- July 29, 1954 Sen. Williams inserted and discussed his proposed amendment to H. R. 7774.
- Aug. 11, 1954 Senate passed H. R. 7774 with amendments and later agreed to reconsider vote.
- Aug. 17, 1954 Sen. Knowland submitted a proposed amendment. Print of amendment
- Aug. 18, 1954 Senate began debate on H. R. 7774.
- Aug. 19, 1954 Senate continued debate on H. R. 7774.
- Aug. 20, 1954 Senate passed H. R. 7774 with amendments. Print of bill as passed Senate.
House concurred in Senate Amendments.
- Aug. 23, 1954 Pocket vetoed. Memorandum of disapproval.

H. R. 392

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 1953

Mr. CELLER introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To authorize the establishment of an Inventions Awards Board within the Department of Defense, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Inventions Awards Act
4 of 1953".

5 DECLARATION OF POLICY

6 SEC. 2. It is the purpose of this Act to foster invention
7 for national defense through the establishment within the De-
8 partment of Defense of an Inventions Awards Board which
9 shall be authorized to recommend to the Secretary the making
10 of such awards, to be known as National Defense Awards, as
11 it shall consider just for meritorious inventions contributing
12 to the national defense.

1 DEFINITIONS

2 SEC. 3. As used in this Act—

3 (a) The term “invention” means any art, machine,
4 manufacture, composition of matter, or any new and useful
5 improvement thereof which is useful, or susceptible of use,
6 for application in the national defense of the United States,
7 and which is not subject to the provisions of the Atomic
8 Energy Act of 1946, whether or not such invention is
9 patented, unpatented, or patentable.

10 (b) The term “inventor” means any person who has
11 made an invention.

12 (c) The term “person” shall include any natural person,
13 and his heirs.

14 (d) The term “the Department” shall mean the De-
15 partment of Defense, and the term “Secretary” shall mean
16 the Secretary of Defense.

17 (e) The term “defense agency” means the Department,
18 or any other department, agency, or independent establish-
19 ment in the executive branch of the Government (except the
20 Atomic Energy Commission), and any wholly owned Gov-
21 ernment corporation, designated by the President as a defense
22 agency for the purposes of this Act.

23 (f) The term “Board” means the Inventions Awards
24 Board established pursuant to section 5 of this Act.

1 (g) The term "award" means a National Defense
2 Award authorized by section 4 of this Act.

3 NATIONAL DEFENSE AWARDS

4 SEC. 4. Whenever any inventor has disclosed to any
5 defense agency any invention which contributes or has con-
6 tributed substantially to the national defense, and any such
7 agency in consequence of such disclosure has used such in-
8 vention, the Secretary, upon the recommendation of the
9 Board, may make a National Defense Award to such inven-
10 tor in such amount, and subject to such terms and conditions,
11 as the Board shall determine in conformity with the pro-
12 visions of this Act to be just compensation for such invention
13 or the use thereof.

14 INVENTIONS AWARDS BOARD

15 SEC. 5. (a) The Secretary is authorized to establish
16 within the Department an Inventions Awards Board which
17 shall be composed of not more than fifteen members ap-
18 pointed by the Secretary, for such term or terms as he may
19 specify, from persons in civil life who are eminent in one
20 or more of the following fields of activity: invention, science,
21 research, development, and patent law. The Board shall
22 meet at such times as the Secretary may specify to consider
23 applications made pursuant to section 6 of this Act for

1 awards. Five members shall constitute a quorum of the
2 Board.

3 (b) Each member shall receive compensation at the
4 rate of \$75 for each day of his attendance at meetings of the
5 Board, and shall be reimbursed for all travel expenses ac-
6 tually incurred by him in the performance of his duties as
7 a member of the Board.

8 (c) The Board shall perform the duties required of it
9 by section 6 of this Act. The Secretary shall provide the
10 Board with such personnel and facilities as he may determine
11 to be required by the Board for the performance of its
12 functions.

13 (d) The Board may promulgate such rules and regu-
14 lations, not inconsistent with this Act, as may be required
15 for the performance of its duties hereunder.

16 APPLICATIONS FOR AWARDS AND PROCEEDINGS THEREON

17 SEC. 6. (a) Any inventor may file with the Secretary
18 an application for an award under section 4 of this Act. Such
19 application may be filed upon information and belief, and
20 shall contain a statement concerning—

21 (1) the nature of such invention;

22 (2) the ownership thereof;

23 (3) the time and manner of its disclosure to any
24 defense agency;

(4) the nature and extent of its use by any defense agency;

(5) the utility of such invention to the United States in the interest of national defense;

(6) the nature and extent of the compensation received by such inventor from the United States under any other provision of law for or on account of the development or use of such invention;

(7) the nature and extent of the compensation for which application is made pursuant to this Act; and

(8) such other facts as the Board shall deem pertinent.

(b) Each application so filed shall be transmitted to the Board which, subject to the provisions of this Act and of the Administrative Procedure Act, shall hear and determine the questions presented by such application, and shall make and transmit to the Secretary a report thereon in which the Board shall set forth—

(1) its findings of fact and conclusions of law;

(2) its recommendation on the question whether the applicant is entitled to an award under this Act; and

1 (3) the terms and conditions upon which any such
2 award should be made.

3 DETERMINATION OF ELIGIBILITY FOR AWARDS AND
4 QUANTUM THEREOF

5 SEC. 7. (a) In any proceeding under this Act, the ap-
6 plicant shall bear the burden of establishing by probative
7 proof the disclosure of the invention in question by the in-
8 ventor directly or indirectly to a defense agency and the
9 use of such invention by a defense agency in consequence
10 of such disclosure, except that—

11 (1) in the case of a patented invention, proof of
12 the issuance of a patent thereon shall constitute proof
13 of disclosure of such invention to a defense agency;
14 and

15 (2) in the case of an invention described in a
16 patent application which has been duly filed and has
17 been placed under secrecy pursuant to any provision of
18 law, proof of access to such application by any officer
19 or employee of any defense agency shall constitute proof
20 of disclosure of such invention to such agency.

21 (b) In any proceeding under this Act, the respondent
22 defense agency or agencies shall be entitled to assert any
23 legal or equitable defense which could be asserted by the
24 United States in any suit brought by the applicant against
25 the United States for judicial relief on account of the use

1 of the invention in question by the United States, except
2 that—

3 (1) the worth of such invention shall be measured
4 by its contribution to the needs of the national defense,
5 and not by the advance it makes in the field to which it
6 pertains;

7 (2) the validity of any patent issued to the in-
8 ventor for such invention shall be presumed in the ab-
9 sence of competent proof of the invalidity of such patent;
10 and

11 (3) proof that the disclosure made by the inventor
12 to any defense agency was sufficiently specific to permit
13 the making or practicing of such invention shall con-
14 stitute proof of the actual reduction of such invention
15 to practice.

16 (c) Payment by the United States of the cost, in whole
17 or in part, of developing an invention shall not bar the mak-
18 ing of an award under this Act to the inventor thereof, but in
19 determining the amount of any such award consideration
20 shall be given to—

21 (1) the extent to which such development was made
22 at the expense of the inventor, and the extent to which
23 such development was made at the expense of the United
24 States;

25 (2) the extent to which the inventor has bene-

1 fitted and will benefit through the commercial exploita-
2 tion of such invention in consequence of development
3 made at the expense of the United States; and

4 (3) the extent to which the inventor has been de-
5 nied the benefits of commercial exploitation of such
6 invention in consequence of any secrecy restrictions
7 imposed by the United States.

(d) If, in any proceeding under this Act, it shall appear to the Board that more than one inventor is entitled to compensation with respect to the same invention, the Board shall ascertain and determine the interests of each such inventor, and shall recommend the division of the award, in such proportions as it shall deem equitable, among all persons whom it shall find to be entitled to share therein.

15 PAYMENT OF AWARDS

16 SEC. 8. (a) Any award made pursuant to this Act may
17 be paid in a single payment or by such periodic payments
18 as the Board may recommend.

(b) Awards so made shall be paid from funds appropriated to the defense agency principally interested in the invention for which such award is made, as determined by the Board, and may be paid from any funds appropriated to such agency which are available for the procurement of equipment or supplies incorporating such invention or resulting from the practice of such invention. If the head of the

1 defense agency concerned certifies that funds are not avail-
2 able to such agency for the payment of any such award, the
3 Secretary shall include in his budget estimate for the De-
4 partment for the next fiscal year an appropriate item for the
5 payment of such award.

6 (c) No award made under this Act shall be paid until
7 each person entitled to share therein has executed a release,
8 in such form as the Secretary shall approve, by which such
9 person surrenders, for himself and all others holding rights
10 from him, all further claims against the United States for
11 compensation with respect to the invention for which such
12 award is made.

13 (d) No award shall be paid under this Act to any
14 inventor or with respect to any invention in any amount
15 exceeding \$75,000 until such award has been transmitted to
16 and approved by the Congress. The approval of the Con-
17 gress to any such award shall be deemed to have been
18 granted upon the expiration of the first period of one hundred
19 and twenty calendar days of continuous session of the Con-
20 gress following the date on which such award is transmitted
21 to it for approval, but only if prior to the expiration of such
22 period there has not been passed a concurrent resolution
23 disapproving such award or approving such award in a
24 reduced amount or subject to different conditions. If within
25 such period any such resolution is passed authorizing payment

1 of such award in a reduced amount or subject to different
2 conditions, payment of such award may be made in con-
3 formity with the terms of such resolution.

4 PROCEEDINGS UNDER OTHER STATUTES

5 SEC. 9. (a) Nothing contained in this Act shall—

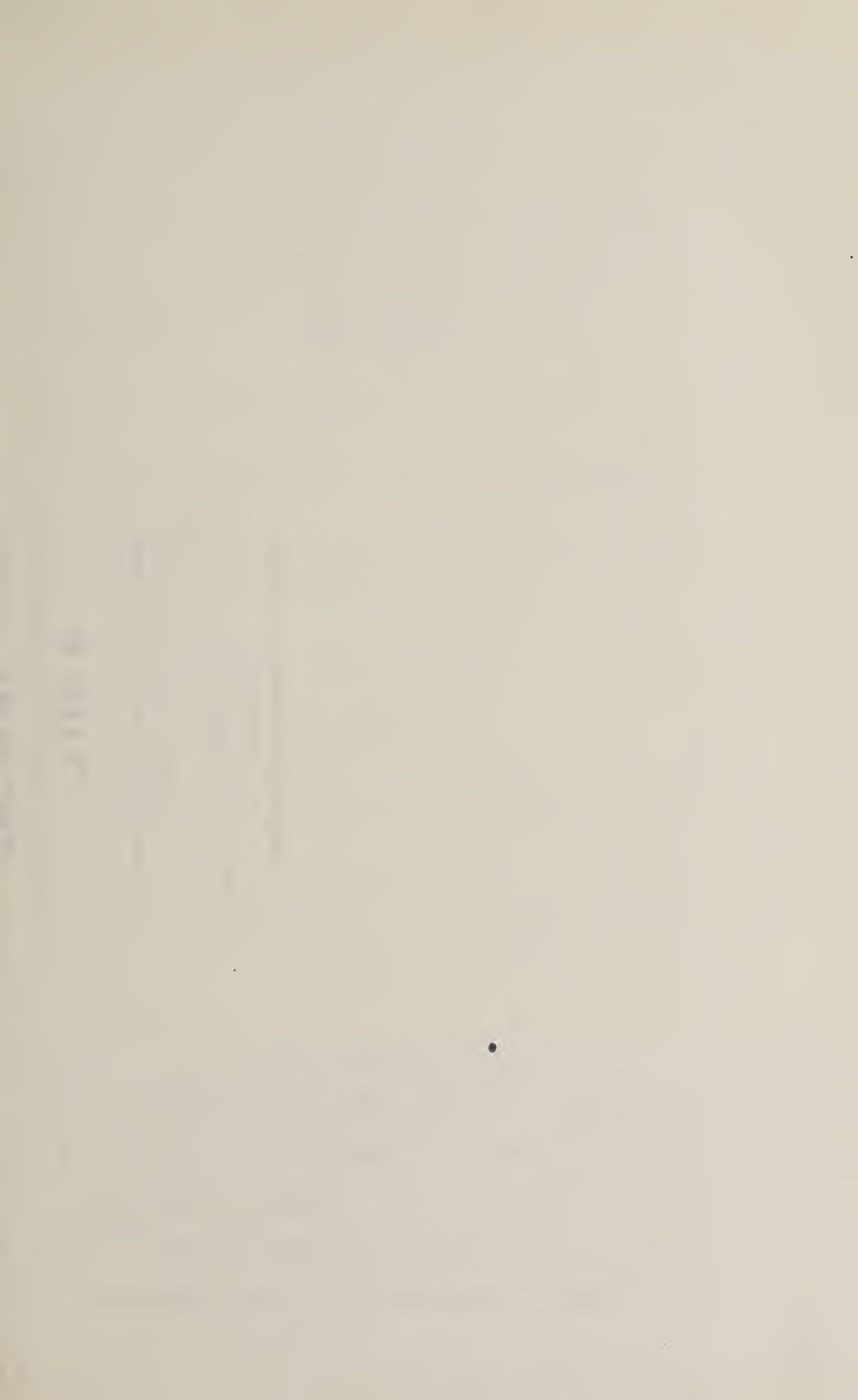
6 (1) prevent any department or agency of the
7 United States from making any payment to any inventor
8 pursuant to any other provision of law; or

9 (2) bar any inventor from prosecuting any suit in
10 the Court of Claims pursuant to section 1498 of title 28
11 of the United States Code with respect to any invention,
12 or from recovering judgment in any such suit.

13 (b) No inventor shall be entitled to receive any award
14 pursuant to this Act with respect to any invention—

15 (1) for which he has received any compensation
16 (other than salary received for services rendered as
17 an officer or employee of the Government) under any
18 other provision of law; or

19 (2) with respect to which he has instituted any
20 suit in the Court of Claims for compensation pursuant to
21 section 1498 of title 28 of the United States Code.



A BILL

To authorize the establishment of an Inventions
Awards Board within the Department of
Defense, and for other purposes.

By Mr. Celler

JANUARY 3, 1953

Referred to the Committee on the Judiciary

83D CONGRESS
1ST SESSION

S. 27

IN THE SENATE OF THE UNITED STATES

JANUARY 7 (legislative day, JANUARY 6), 1953

Mr. McCARRAN introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To authorize the establishment of an Inventions Awards Board within the Department of Defense, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Inventions Awards Act
4 of 1953".

5 DECLARATION OF POLICY

6 SEC. 2. It is the purpose of this Act to foster invention
7 for national defense through the establishment within the
8 Department of Defense of an Inventions Awards Board
9 which shall be authorized to recommend to the Secretary
10 the making of such awards, to be known as National Defense

1 Awards, as it shall consider just for meritorious inventions
2 contributing to the national defense.

3 DEFINITIONS

4 SEC. 3. As used in this Act—

5 (a) The term “invention” means any art, machine,
6 manufacture, composition of matter, or any new and useful
7 improvement thereof which is useful, or susceptible of use,
8 for application in the national defense of the United States,
9 and which is not subject to the provisions of the Atomic
10 Energy Act of 1946, whether or not such invention is
11 patented, unpatented, or patentable.

12 (b) The term “inventor” means any person who has
13 made an invention.

14 (c) The term “person” shall include any natural person,
15 and his heirs.

16 (d) The term “the Department” shall mean the De-
17 partment of Defense, and the term “Secretary” shall mean
18 the Secretary of Defense.

19 (e) The term “defense agency” means the Department,
20 or any other department, agency, or independent establish-
21 ment in the executive branch of the Government (except the
22 Atomic Energy Commission), and any wholly owned Gov-
23 ernment corporation, designated by the President as a defense
24 agency for the purposes of this Act.

1 (f) The term "Board" means the Inventions Awards
2 Board established pursuant to section 5 of this Act.

3 (g) The term "award" means a National Defense
4 Award authorized by section 4 of this Act.

5 NATIONAL DEFENSE AWARDS

6 SEC. 4. Whenever any inventor has disclosed to any
7 defense agency any invention which contributes or has con-
8 tributed substantially to the national defense, and any such
9 agency in consequence of such disclosure has used such in-
10 vention, the Secretary, upon the recommendation of the
11 Board, may make a National Defense Award to such inven-
12 tor in such amount, and subject to such terms and conditions,
13 as the Board shall determine in conformity with the pro-
14 visions of this Act to be just compensation for such invention
15 or the use thereof.

16 INVENTIONS AWARDS BOARD

17 SEC. 5. (a) The Secretary is authorized to establish
18 within the Department an Inventions Awards Board which
19 shall be composed of not more than fifteen members ap-
20 pointed by the Secretary, for such term or terms as he may
21 specify, from persons in civil life who are eminent in one
22 or more of the following fields of activity: Invention, science,
23 research, development, and patent law. The Board shall
24 meet at such times as the Secretary may specify to consider

1 applications made pursuant to section 6 of this Act for
2 awards. Five members shall constitute a quorum of the
3 Board.

4 (b) Each member shall receive compensation at the
5 rate of \$75 for each day of his attendance at meetings of the
6 Board, and shall be reimbursed for all travel expenses ac-
7 tually incurred by him in the performance of his duties as
8 a member of the Board.

9 (c) The Board shall perform the duties required of it
10 by section 6 of this Act. The Secretary shall provide the
11 Board with such personnel and facilities as he may determine
12 to be required by the Board for the performance of its
13 functions.

14 (d) The Board may promulgate such rules and regu-
15 lations, not inconsistent with this Act, as may be required
16 for the performance of its duties hereunder.

17 APPLICATIONS FOR AWARDS AND PROCEEDINGS THEREON

18 SEC. 6. (a) Any inventor may file with the Secretary
19 an application for an award under section 4 of this Act. Such
20 application may be filed upon information and belief, and
21 shall contain a statement concerning—

22 (1) the nature of such invention;

23 (2) the ownership thereof;

24 (3) the time and manner of its disclosure to any
25 defense agency;

(4) the nature and extent of its use by any defense agency;

(5) the utility of such invention to the United States in the interest of national defense;

(6) the nature and extent of the compensation received by such inventor from the United States under any other provision of law for or on account of the development or use of such invention;

(7) the nature and extent of the compensation for which application is made pursuant to this Act; and

(8) such other facts as the Board shall deem pertinent.

(b) Each application so filed shall be transmitted to the Board which, subject to the provisions of this Act and of the Administrative Procedure Act, shall hear and determine the questions presented by such application, and shall make and transmit to the Secretary a report thereon in which the Board shall set forth—

(1) its findings of fact and conclusions of law;

(2) its recommendation on the question whether the applicant is entitled to an award under this Act; and

(3) the terms and conditions upon which any such award should be made.

1 DETERMINATION OF ELIGIBILITY FOR AWARDS AND
2 QUANTUM THEREOF

3 SEC. 7. (a) In any proceeding under this Act, the ap-
4 plicant shall bear the burden of establishing by probative
5 proof the disclosure of the invention in question by the in-
6 ventor directly or indirectly to a defense agency and the
7 use of such invention by a defense agency in consequence
8 of such disclosure, except that—

9 (1) in the case of a patented invention, proof of
10 the issuance of a patent thereon shall constitute proof
11 of disclosure of such invention to a defense agency;
12 and

13 (2) in the case of an invention described in a
14 patent application which has been duly filed and has
15 been placed under secrecy pursuant to any provision of
16 law, proof of access to such application by any officer
17 or employee of any defense agency shall constitute proof
18 of disclosure of such invention to such agency.

19 (b) In any proceeding under this Act, the respondent
20 defense agency or agencies shall be entitled to assert any
21 legal or equitable defense which could be asserted by the
22 United States in any suit brought by the applicant against
23 the United States for judicial relief on account of the use
24 of the invention in question by the United States, except
25 that—

(1) the worth of such invention shall be measured by its contribution to the needs of the national defense, and not by the advance it makes in the field to which it pertains;

(2) the validity of any patent issued to the inventor for such invention shall be presumed in the absence of competent proof of the invalidity of such patent; and

(3) proof that the disclosure made by the inventor to any defense agency was sufficiently specific to permit the making or practicing of such invention shall constitute proof of the actual reduction of such invention to practice.

(c) Payment by the United States of the cost, in whole or in part, of developing an invention shall not bar the making of an award under this Act to the inventor thereof, but in determining the amount of any such award consideration shall be given to—

(1) the extent to which such development was made at the expense of the inventor, and the extent to which such development was made at the expense of the United States;

(2) the extent to which the inventor has benefited and will benefit through the commercial exploita-

1 tion of such invention in consequence of development
2 made at the expense of the United States; and

3 (3) the extent to which the inventor has been de-
4 nied the benefits of commercial exploitation of such
5 invention in consequence of any secrecy restrictions
6 imposed by the United States.

7 (d) If, in any proceeding under this Act, it shall
8 appear to the Board that more than one inventor is entitled
9 to compensation with respect to the same invention, the
10 Board shall ascertain and determine the interests of each
11 such inventor, and shall recommend the division of the award,
12 in such proportions as it shall deem equitable, among all per-
13 sons whom it shall find to be entitled to share therein.

14 PAYMENT OF AWARDS

15 SEC. 8. (a) Any award made pursuant to this Act may
16 be paid in a single payment or by such periodic payments
17 as the Board may recommend.

18 (b) Awards so made shall be paid from funds appro-
19 priated to the defense agency principally interested in the
20 invention for which such award is made, as determined by
21 the Board, and may be paid from any funds appropriated to
22 such agency which are available for the procurement of
23 equipment or supplies incorporating such invention or result-
24 ing from the practice of such invention. If the head of the
25 defense agency concerned certifies that funds are not avail-

1 able to such agency for the payment of any such award, the
2 Secretary shall include in his budget estimate for the De-
3 partment for the next fiscal year an appropriate item for the
4 payment of such award.

5 (c) No award made under this Act shall be paid until
6 each person entitled to share therein has executed a release,
7 in such form as the Secretary shall approve, by which such
8 person surrenders, for himself and all others holding rights
9 from him, all further claims against the United States for
10 compensation with respect to the invention for which such
11 award is made.

12 (d) No award shall be paid under this Act to any
13 inventor or with respect to any invention in any amount
14 exceeding \$75,000 until such award has been transmitted to
15 and approved by the Congress. The approval of the Con-
16 gress to any such award shall be deemed to have been
17 granted upon the expiration of the first period of one hundred
18 and twenty calendar days of continuous session of the Con-
19 gress following the date on which such award is transmitted
20 to it for approval, but only if prior to the expiration of such
21 period there has not been passed a concurrent resolution
22 disapproving such award or approving such award in a
23 reduced amount or subject to different conditions. If within
24 such period any such resolution is passed authorizing payment
25 of such award in a reduced amount or subject to different

1 conditions, payment of such award may be made in con-
2 formity with the terms of such resolution.

3 PROCEEDINGS UNDER OTHER STATUTES

4 SEC. 9. (a) Nothing contained in this Act shall—

5 (1) prevent any department or agency of the
6 United States from making any payment to any inventor
7 pursuant to any other provision of law; or

8 (2) bar any inventor from prosecuting any suit in
9 the Court of Claims pursuant to section 1498 of title 28
10 of the United States Code with respect to any invention,
11 or from recovering judgment in any such suit.

12 (b) No inventor shall be entitled to receive any award
13 pursuant to this Act with respect to any invention—

14 (1) for which he has received any compensation
15 (other than salary received for services rendered as
16 an officer or employee of the Government) under any
17 other provision of law; or

18 (2) with respect to which he has instituted any
19 suit in the Court of Claims for compensation pursuant to
20 section 1498 of title 28 of the United States Code.

A BILL

To authorize the establishment of an Inventions
Awards Board within the Department of
Defense, and for other purposes.

By Mr. McCARRAN

JANUARY 7 (legislative day, JANUARY 6), 1953
Read twice and referred to the Committee on the
Judiciary

83^D CONGRESS
1ST SESSION

H. R. 5889

IN THE HOUSE OF REPRESENTATIVES

JUNE 23, 1953

Mr. CRUMPACKER introduced the following bill ; which was referred to the Committee on Armed Services

A BILL

To authorize the establishment of an Inventive Contributions Awards Board within the Department of Defense, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Inventive Contributions
4 Awards Act of 1953".

5 DECLARATION OF POLICY

6 SEC. 2. It is the purpose of this Act to foster invention
7 for national defense through the establishment within the
8 Department of Defense of an Inventive Contributions Awards
9 Board which shall be authorized to recommend to the Secre-
10 tary the making of such awards, to be known as National

1 Defense Awards, as it shall consider just for meritorious in-
2 ventions contributing to the national defense.

3 DEFINITIONS

4 SEC. 3. As used in this Act—

5 (a) The term “contribution” means any inventive con-
6 tribution which is used in the national defense of the United
7 States, and which is not subject to the provisions of the
8 Atomic Energy Act of 1946.

9 (b) The term “contributor” means any person who has
10 made an inventive contribution, and who, by reason of em-
11 ployment by or association with the Government of the
12 United States, is precluded from obtaining a patent for such
13 inventive contribution, or who has made an inventive contri-
14 bution which by its nature is not patentable.

15 (c) The term “person” shall include any natural per-
16 son, and his heirs.

17 (d) The term “the Department” shall mean the De-
18 partment of Defense, and the term “Secretary” shall mean
19 the Secretary of Defense.

20 (e) The term “defense agency” means the Depart-
21 ment, or any other department, agency, or independent
22 establishment in the executive branch of the Government
23 (except the Atomic Energy Commission), or any wholly
24 owned Government corporation, designated by the Presi-
25 dent as a defense agency for the purposes of this Act.

1 (f) The term "Board" means the Inventive Contribu-
2 tions Awards Board established pursuant to section 5 of this
3 Act.

4 (g) The term "award" means a National Defense
5 Award authorized by section 4 of this Act.

6 (h) The term "communication" shall mean either a
7 disclosure in writing or a submission of a physical embodi-
8 ment of the contribution.

9 NATIONAL DEFENSE AWARDS

10 SEC. 4. Whenever any contributor has directly or indi-
11 rectly communicated his contribution to any defense agency,
12 and any such agency in consequence of such communication
13 has used or caused to be used such contribution, the Secre-
14 tary, upon the recommendation of the Board, may make a
15 National Defense Award to such contributor in such amount,
16 and subject to such terms and conditions, as the Board shall
17 determine in conformity with the provisions of this Act to be
18 a proper award for the use thereof.

19 INVENTIVE CONTRIBUTIONS AWARDS BOARD

20 SEC. 5. (a) The Secretary is authorized to establish
21 within the Department an Inventive Contributions Awards
22 Board which shall be composed of not more than fifteen
23 members appointed by the Secretary, by and with the advice
24 and consent of the Congress, for such term or terms as he
25 may specify, from individuals in civil life who are eminent

1 in one or more of the following fields of activity: Invention,
2 science, research, development, and patent law. A quorum
3 of the Board shall meet at such times as the Secretary may
4 specify to consider applications made pursuant to section 6
5 of this Act for awards. Five members shall constitute a
6 quorum of the Board.

7 (b) Each member shall receive compensation at the
8 rate of \$50 for each day of his attendance at meetings of
9 the Board, and shall be reimbursed for all travel expenses
10 actually incurred by him in the performance of his duties as
11 a member of the Board.

12 (c) The Board shall perform the duties required of it
13 by section 6 of this Act. The Secretary shall provide the
14 Board with such personnel and facilities as he may deter-
15 mine to be required by the Board for the performance of its
16 functions.

17 (d) The Board may promulgate such rules and regula-
18 tions, not inconsistent with this Act, as may be required for
19 the performance of its duties hereunder.

20 APPLICATIONS FOR AWARDS AND PROCEEDINGS THEREON

21 SEC. 6. (a) Any contributor may file with the Secre-
22 tary an application for an award under section 4 of this Act,
23 or be recommended for an award by the head of any defense
24 agency. Such application or recommendation may be filed

1 upon information and belief, and shall contain a statement
2 concerning—

3 (1) the nature of such contribution;

4 (2) the ownership thereof;

5 (3) the date and manner of its communication to
6 any defense agency;

7 (4) the nature and extent of the compensation re-
8 ceived by such contributor from the United States in
9 connection with the contribution;

10 (5) the nature and extent of the award for which
11 application or recommendation is made pursuant to this
12 Act; and

13 (6) such other information as the Board shall pre-
14 scribe by its rules.

15 (b) Each application or recommendation so filed shall
16 be transmitted to the Board which, subject to the provisions
17 of this Act, shall determine the questions presented by such
18 application, and shall make and transmit to the Secretary a
19 report thereon in which the Board shall set forth—

20 (1) its findings of fact;

21 (2) its conclusions and recommendations on the
22 question whether the contributor is entitled to an award
23 under this Act; and

1 (3) the terms and conditions upon which any such
2 award should be made.

3 DETERMINATION OF ELIGIBILITY FOR AWARDS AND
4 QUANTUM THEREOF

5 SEC. 7. (a) In any proceeding under this Act, the
6 contributor shall bear the burden of establishing the com-
7 munication of the contribution in question, except that the
8 submission of a contribution to the National Inventors Coun-
9 cil and by that Council to a defense agency shall constitute
10 proof of communication.

11 (b) In any proceeding under this Act if the Board
12 finds that the contributor communicated the contribution and
13 as a result thereof it was used, the Board may recommend an
14 award.

15 (c) In determining the amount of any such award con-
16 sideration shall be given to—

17 (1) the novelty, originality, and utility of the
18 contribution;

19 (2) the extent to which such development was
20 made at the expense of the contributor, and the extent
21 to which such development was made at the expense
22 of the United States;

23 (3) the extent to which the contributor has bene-
24 fited, will benefit, or reasonably can be expected to benefit
25 through the commercial exploitation of such contribution;

(4) the extent to which the contributor has been denied the benefits of commercial exploitation of such contribution in consequence of any secrecy restrictions imposed by the United States; and

(5) the extent to which the contributor has been compensated for said contribution by the United States.

(d) If, in any proceeding under this Act, it shall appear to the Board that more than one contributor is entitled to compensation with respect to the same contribution, the Board shall ascertain and determine the interests of each such contributor and shall recommend the division of the award, in such proportions as it shall deem equitable, among all persons whom it shall find to be entitled to share therein.

PAYMENT OF AWARDS

SEC. 8. (a) Any award made pursuant to this Act may be paid in a single payment or by such periodic payments as the Board may recommend.

-(b) Awards so made shall be paid from funds appropriated to the defense agency principally interested in the contribution for which such award is made, as determined by the Board, and may be paid from any funds appropriated to such agency which are available for the procurement of equipment or supplies incorporating such contribution or resulting from the practice of such contribution. If the head of the defense agency concerned certifies that funds are

1 not available to such agency for the payment of any such
2 award, the Secretary shall include in his budget estimate
3 for the Department for the next fiscal year an appropriate
4 item for the payment of such award.

5 (c) No award made under this Act shall be paid until
6 each person entitled to share therein has executed a release,
7 in such form as the Secretary shall approve, by which such
8 person surrenders, for himself, all further claims against the
9 United States for compensation with respect to the contri-
10 butions for which such award is made.

11 (d) No award shall be paid under this Act to any con-
12 tributor or with respect to any contribution in any amount
13 exceeding \$75,000 until such award has been transmitted
14 to and approved by the Congress. The approval of the
15 Congress to any such award shall be deemed to have been
16 granted upon the expiration of the first period of six months
17 of continuous session of the Congress following the date on
18 which such award is transmitted to it for approval, but only
19 if prior to the expiration of such period there has not been
20 passed a concurrent resolution disapproving such award or
21 approving such award in a reduced amount or subject to
22 different conditions. If within such period any such reso-
23 lution is passed authorizing payment of such award in a
24 reduced amount or subject to different conditions, payment

1 of such award may be made in conformity with the terms
2 of such resolution.

3 PROCEEDINGS UNDER OTHER STATUTES

4 SEC. 9. (a) Nothing contained in this Act shall—

5 (1) prevent any defense agency from making any
6 payment to any contributor pursuant to any other pro-
7 vision of law; or

8 (2) bar any contributor from prosecuting any suit
9 under any other provision of law.

A BILL

To authorize the establishment of an Inventive Contributions Awards Board within the Department of Defense, and for other purposes.

By Mr. CRUMPACKER

JUNE 23, 1953

Referred to the Committee on Armed Services

83^D CONGRESS
2^D SESSION

H. R. 7774

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 8, 1954

Mr. HAGEN of Minnesota introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Federal Employees In-
4 centive Awards Act of 1954".

5 SEC. 2. For the purposes of this Act—

6 (a) The term "department" or "Government" includes
7 (1) the executive departments, (2) the independent estab-
8 lishments and agencies in the executive branch, including
9 corporations wholly owned by the United States, (3) the
10 Library of Congress, (4) the Government Printing Office,

1 (5) the General Accounting Office, and (6) the municipal
2 government of the District of Columbia;

3 (b) The term "employees" includes all civilian officers
4 and employees in or under the departments;

5 (c) The term "Commission" means the United States
6 Civil Service Commission.

7 SEC. 3. (a) The head of each department shall pre-
8 pare an incentive-awards plan for his department in ac-
9 cordance with standards and regulations prescribed by the
10 Commission. The incentive-awards plan of each depart-
11 ment shall provide that the head of such department shall
12 grant monetary awards, or provide suitable honorary recog-
13 nition, or both, in his discretion, to or for employees of the
14 Government (or the former employees or the estates of
15 deceased employees thereof) in those instances in which
16 such persons, while employed by the Government, have con-
17 tributed to the efficiency, economy, or other improvement of
18 the operations of such department, or of any other depart-
19 ment, by their suggestions, inventions, superior accomplish-
20 ments, or other meritorious personal efforts.

21 (b) The Commission shall inspect and review the op-
22 eration of the incentive-awards plans in the departments to
23 insure compliance with the provisions of this Act and with
24 the standards and regulations of the Commission. The Com-
25 mission is authorized, on its own initiative and after consul-

1 tation with the department concerned, to revise or modify
2 any department's plan to the extent the Commission deems
3 necessary.

4 (c) In order to carry out effectively the purposes of this
5 Act, the Commission shall establish under its jurisdiction an
6 incentive-awards office, appoint a director thereof, and, con-
7 sistently with the provisions of this Act, delegate to such
8 director the duty and responsibility imposed upon the Com-
9 mission under subsection (a) to the extent that the Com-
10 mission may deem necessary.

11 (d) The director of the incentive-awards office shall
12 be immediately responsible to, and shall report directly to,
13 the executive director of the Commission.

14 (e) The Commission shall submit to the Congress and
15 to the respective chairmen of the Committee on Appropria-
16 tions of the Senate, the Committee on Appropriations of
17 the House of Representatives, the Committee on Post Office
18 and Civil Service of the Senate, and the Committee on Post
19 Office and Civil Service of the House of Representatives, an
20 annual report of the operation of the program of incentive-
21 awards plans for the departments under this Act, together
22 with such recommendations as the Commission deems
23 advisable.

24 SEC. 4. (a) Awards and expenses for honorary recog-
25 nition under section 3 of this Act may be paid from funds

1 or appropriations of the department primarily benefiting
2 or may be paid from the several funds or appropriations of
3 the various departments benefiting.

4 (b) A monetary award granted under an incentive-
5 awards plan shall not exceed \$5,000, except that an award
6 in excess of such amount may be granted, with the approval
7 of the Commission, in special cases in which the head of
8 a department certifies to the Commission that the idea,
9 method, or device for which such award is proposed to be
10 made is highly exceptional and unusually outstanding.

11 (c) The acceptance of a monetary award shall consti-
12 tute an agreement that the use by the United States of any
13 idea, method, or device for which the award is made shall
14 not form the basis of a claim of any nature against the
15 United States or the District of Columbia by the employee
16 or former employee, or his heirs, assigns, or estate.

17 (d) A monetary award or honorary recognition shall
18 be given due weight in qualifying and selecting employees
19 for promotion.

20 SEC. 5. (a) The following laws and parts of laws are
21 hereby repealed:

22 (1) Sections 702, 1002, and 1003 of the Classification
23 Act of 1949 (5 U. S. C., secs. 1122, 1152, 1153) ;

24 (2) Section 14 of the Act entitled "An Act to author-
25 ize certain administrative expenses in the Government serv-

1 ice, and for other purposes", approved August 2, 1946 (5
2 U. S. C., sec. 116a) ;

3 (3) The Act entitled "An Act authorizing payments
4 of rewards to postal employees for inventions", approved
5 December 3, 1945 (39 U. S. C., sec. 813) ;

6 (4) The Act entitled "An Act authorizing the Secretary
7 of War to pay a cash award for suggestions submitted by
8 employees of certain establishments of the Ordnance Depart-
9 ment for improvement or economy in manufacturing process
10 or plant", approved July 17, 1912 (50 U. S. C., sec. 58) ;

11 (5) The Act entitled "An Act to provide equitable com-
12 pensation for useful suggestions or inventions by personnel
13 of the Department of the Interior", approved June 26, 1944
14 (5 U. S. C., sec. 500) ;

15 (6) Subsections (a) and (b) of section 35 of the Act
16 entitled "An Act to enact certain provisions now included
17 in the Naval Appropriation Act, 1946, and for other pur-
18 poses", approved August 2, 1946 (5 U. S. C., sec. 416) ;
19 and

20 (7) The joint resolution entitled "Joint resolution to
21 provide cash awards to personnel of the Maritime Commis-
22 sion and the War Shipping Administration for useful sugges-
23 tions to improve administration of their activities", approved
24 March 13, 1944 (46 U. S. C., sec. 1111b) .

1 (b) All other laws or parts of laws inconsistent with this
2 Act are hereby repealed to the extent of such inconsistency.

3 (c) Paragraph (A) of subsection (a) of section 701
4 of the Classification Act of 1949, as amended (5 U. S. C.,
5 sec. 1121 (a)), is amended by striking out the comma and
6 the following: "except increase made pursuant to section
7 702 or 1002".

8 SEC. 6. The enactment of this Act shall not affect the
9 right of any employee to an award granted him under any
10 provision of law repealed by this Act.

11 SEC. 7. There are hereby authorized to be appropriated
12 such sums as may be necessary to carry out the purposes of
13 this Act.

14 SEC. 8. This Act shall take effect on the ninetieth day
15 after the date of its enactment.

A BILL

To establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

By Mr. HAGEN of Minnesota

FEBRUARY 8, 1954

Referred to the Committee on Post Office and Civil Service

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued March 5, 1954

For actions of March 4, 1954

83rd-2nd, No. 41

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: House passed State, Justice, Commerce appropriation bill, agreeing to increase for forest highways. House completed congressional action on Mexican farm labor measure. House and Senate completed congressional action on 2nd supplemental appropriation bill. House committees reported bill to reduce excise taxes and road authorization bill. Senate committee reported wool price supports bill. Rep. Cooley introduced bill to improve marketing facilities for perishables. Rep. Poage spoke in favor of 90% price supports. Sen. Humphrey criticized reduction in dairy price supports. Sens. Ellender and Humphrey claimed Secretary submitted misleading figures on price-support costs; Sen. Aiken defended Secretary on this. Sen. Gillette inserted and discussed correspondence with USDA and other agencies on distributing surplus food to aged and needy.

HOUSE

1. APPROPRIATIONS. Continued debate on H. R. 8067, the State, Justice, Commerce appropriation bill for 1955 (pp. 2538-64). Agreed to an amendment by Rep. Coon to increase by \$5,000,000 the amount for forest highways (pp. 2538-43). Agreed to an amendment by Rep. Sullivan to provide \$10,000 ^{which} shall be used to "renew the compilation of statistics on stocks of coffee on hand" (pp. 2543-4).
2. FARM LABOR. Concurred in the Senate amendment to H. J. Res. 355, to continue the Mexican farm labor program in the absence of an agreement with Mexico (p. 2564). This measure will now be sent to the President.
3. ROAD AUTHORIZATIONS. The Public Works Committee reported without amendment H. R. 8127, to authorize appropriations for roads, including forest highways and forest roads and trails (H. Rept. 1308)(p. 2580).
4. PRICE SUPPORTS. Rep. Poage spoke in favor of continuation of the support of storable commodities at 90% of parity (pp. 2577-8).
5. TAXATION. The Ways and Means Committee reported without amendment H. R. 8224, to reduce excise taxes (H. Rept. 1307)(p. 2564).

-2-

6. SOIL CONSERVATION. The Interior and Insular Affairs Committee reported without amendment H. R. 7057, to authorize the Secretaries of Agriculture and Interior to transfer, exchange, and dispose of land in the Eden project, Wyo. (H. Rept. 1305)(p. 2580).

7. SECOND SUPPLEMENTAL APPROPRIATION BILL, 1954. Both Houses agreed to the conference report on this bill, H. R. 7996 (pp. 2564, 2517-8). This bill will now be sent to the President.

8. STATISTICS. Received from the Commerce Department a proposed bill to amend the act authorizing the Census Bureau to collect and publish cotton statistics; to Post Office and Civil Service Committee (p. 2580). The Post Office and Civil Service Committee ordered reported (but did not actually report) S. 2348, to repeal the act authorizing the Census Bureau to collect and publish redcedar shingles statistics (p. D235).

9. PURCHASING. The Judiciary Committee ordered reported (but did not actually report) S. 24, to permit review of decisions of Government contracting officers involving questions of fact arising under contracts in cases other than those in which fraud is alleged (three related bills were tabled, H. R. 1839, H. R. 3634; and H. R. 6946) (p. D234).

10. PERSONNEL. The Post Office and Civil Service Committee ordered reported (but did not actually report) H. R. 7774, to establish a uniform system for granting incentive awards to Federal employees. This bill consolidates all presently existing incentive awards programs, places all Federal employees thereunder, and permits the granting of an individual award up to \$25,000. Awards in excess of \$25,000 may be granted by the President, in conjunction with departmental awards (p. D235).

Subcommittees of the Post Office and Civil Service Committee were appointed to study H. R. 5718 and H. R. 5703, to limit the period for collection by the U.S. of compensation received by employees in violation of the dual compensation laws (Rep. St. George, chrmn.); and H. R. 6790, providing that the rate of pay for the Chairman of the Council of Economic Advisers shall be \$17,500 annually (Rep. Harden, chrmn.) (p. D235).

11. LEGISLATIVE PROGRAM for Fri., Mar. 5 as stated in the "Daily Digest": "The House will vote on passage of" the State-Justice-Commerce appropriation bill for 1955, and will consider bills to increase CCC's borrowing power and authorize cooperation with states, etc., in watershed development (p. D233).

SENATE

12. PRICE SUPPORTS. The Agriculture and Forestry Committee reported with amendments S. 2911, to provide for a special wool price support program through direct payments, loans, etc. (S. Rept. 1044) (p. 2482).

Sen. Humphrey strongly criticized Secretary Benson's reduction of dairy price supports and inserted newspaper articles and other communications opposing the Secretary's action (pp. 2494-8).

Sens. Ellender and Humphrey claimed Secretary Benson submitted misleading figures to Congress on the costs of the price support programs which Sen. Humphrey said "indicated a loss...of \$16 billion, when, as a matter of fact, the losses sustained...amounted to...a little more than \$1 billion." Sen. Ellender also criticized the discrepancy in the REA operations cost figures submitted by the Secretary and those contained in REA's annual report to Congress (pp. 2498-501).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued March 11, 1954
For actions of March 10, 1954
83rd-2nd, No. 45

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HIGHLIGHTS: House passed excise-tax reduction bill. Rep. Moulder claimed partisan use of agricultural committees. Rep. Marshall urged passage of his bill to provide dairy price supports through Dairy Council. House committee reported bill to establish uniform system of employee awards. Senate agreed to resolution to continue wheat-imports investigation. Senate debated Hawaii statehood bill. Rep. Stringfellow defended Secretary's recent letter on freight rates and claimed farmers are in relatively good condition. Sen. Wiley proposed and discussed measure to distribute surplus commodities to needy.

HOUSE

1. TAXATION. Passed, 411-3, without amendment H. R. 8224, which reduces to 10% those excise taxes which are now above 10% and provides that those excise taxes which, under present law, would be reduced on April 1, 1954, would remain at present levels except in the case of the tax on sporting goods, which would be reduced to 10% (pp. 2836-66). The Committee report states, "It is contemplated that the committee will review excise tax rates next year."
2. PERSONNEL AWARDS. The Post Office and Civil Service Committee reported with amendment H. R. 7774, to establish a uniform system for the granting of incentive awards to officers and employees of the U. S. (H. Rept. 1344)(p. 2872).
3. AGRICULTURAL COMMITTEES. Rep. Moulder claimed that there is "ruthless partisan domination" of the USDA stabilization-conservation committees (pp. 2867-8).
4. DAIRY PRICE SUPPORTS. Rep. Marshall spoke in support of his bill, H. R. 8276, to provide for dairy supports through a Dairy Council and a combination of self-help and Government programs (pp. 2863-70).

SENATE

5. WHEAT IMPORTS. Agreed, as reported, to S. Res. 218, continuing from Feb. 1, 1954, until Jan. 31, 1955, the authority of the Agriculture and Forestry Committee to investigate the importation of wheat classified as unfit for human consumption. The resolution had been reported earlier in the day by the Rules Committee (S. Rept. 1062). (p. 2797.) with amendment

5. HAWAII STATEHOOD. Continued debate on S. 49, the Hawaii statehood bill (pp. 2806-10, 2816-29). Sen. Jackson spoke in favor of the Anderson amendment to include Alaska statehood in this bill, and he and others discussed the natural resources of Alaska including forest and other agricultural resources (pp. 2816-29).
7. PUBLIC LANDS. Received a Va. Legislature resolution urging Federal payments to local governments in lieu of taxes on Federal lands (p. 2796).
8. EMPLOYMENT PRACTICES. The Labor and Public Welfare Committee ordered reported (but did not actually report) S. 692, to prohibit discrimination in employment because of race, color, etc. (p. D257).
9. PERSONNEL; EXPENDITURES. Sen. Byrd inserted the report of the Joint Committee on Reduction of Nonessential Federal Expenditures on civilian employment in the Executive Branch for Jan. 1954 (pp. 2797-801).

BILLS INTRODUCED

10. TRANSPORTATION. S. 3111, by Sen. Bricker, for himself and others, to amend the Interstate Commerce Act so as to remove the bulk commodity exemption with respect to certain water carriers; to Interstate and Foreign Commerce Committee (p. 2801).
11. SURPLUS COMMODITIES. S. Con. Res. 68, by Sen. Wiley, requesting the President to undertake negotiations at home and abroad to arrange for distribution of surplus commodities and to recommend any necessary legislation; to Agriculture and Forestry Committee. Remarks of author. (pp. 2804-6.)
12. IMPORTS. H. R. 8314, by Rep. Lyle, to increase the tariff on broom corn; to Ways and Means Committee (p. 2873).
13. PRICE SUPPORTS. H. R. 8318, by Rep. Yorty, "to provide mandatory price supports through 1957 for dairy products, hogs, cattle, poultry and eggs, oats, soybeans, rye, flaxseed, barley, grain sorghums, and other commodities"; to Agriculture Committee (p. 2873).
14. SURPLUS COMMODITIES. H. R. 8319, by Rep. Yorty, to provide for distribution of surplus commodities through a food-allotment program; to Agriculture Committee (p. 2873).
H. R. 8327, by Rep. Horan, "to increase the consumption of United States agricultural commodities in foreign countries"; to Agriculture Committee (p. 2873).
H. R. 8321, by Rep. Yorty, to provide adequate diets for the unemployed and their families in distress areas of unemployment; to Agriculture Committee (p. 2873).
H. R. 8329, by Rep. O'Konski, to provide supplementary benefits for recipients of public assistance under Social Security Act programs through issuance of certificates for acquisition of surplus agricultural food products; to Agriculture Committee (p. 2873).
H. Con. Res. 207, by Rep. Hagen, Minn., establishing a joint congressional committee to investigate potato surpluses; to Rules Committee (p. 2873).
15. AGRICULTURAL ADJUSTMENT ACT. H. R. 8322, by Rep. Yorty, "to amend the Agricultural Adjustment Act of 1938"; to Agriculture Committee (p. 2873).
16. PERSONNEL. H. R. 8324, by Rep. Fine, to provide annuities for widows of certain former Federal employees with 35 years of service; to Post Office and Civil

FEDERAL EMPLOYEES INCENTIVE AWARDS PROGRAMS

MARCH 10, 1954.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HAGEN of Minnesota, from the Committee on Post Office and Civil Service, submitted the following

REPORT

[To accompany H. R. 7774]

The Committee on Post Office and Civil Service, to whom was referred the bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

The amendments are as follows:

(a) Page 2, line 14, strike out "or the former" and insert in lieu thereof "or to former".

(b) Page 3, line 9, strike out "subsection (a)" and insert in lieu thereof "subsections (a) and (b)".

(c) Page 3, strike out subsection (e) and insert in lieu thereof the following:

(e) The Commission shall include in its annual report to the Congress a statement with respect to the operation of the program of incentive awards plans for the departments under this act, together with such recommendations as the Commission may deem advisable.

(d) Page 4, line 3, after the period insert the following sentence:

The President of the United States shall determine the proportionate share of each respective benefiting department.

(e) Page 4, line 6, after the word "amount" insert "but not in excess of \$25,000".

(f) Page 4, at lines 8 and 9, strike out "idea, method, or device" and insert in lieu thereof "suggestion, invention, superior accomplishment, or other meritorious effort".

(g) Page 4, line 11, subsection (c) of the introduced bill is redesignated as subsection (d), and is amended by striking out "the use by the United States of any idea, method, or device" and inserting in

lieu thereof "any benefit derived by the United States or the District of Columbia as a result of the suggestion, invention, superior accomplishment, or other meritorious personal effort".

(h) Page 4, insert after line 10 the following subsection:

(c) The President of the United States is authorized to pay monetary awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvements of Government operations, or who perform exceptionally meritorious special acts or services in the public interest in connection with or related to their official employment. Such Presidential awards may be in addition to departmental awards authorized in section 3 (a).

(i) Page 4, line 17, subsection (d) is redesignated as subsection (e).

PURPOSE OF AMENDMENTS

Amendment (a) corrects a typographical error in the introduced bill.

The purpose of amendment (b) is to permit delegation of the authority vested in the Civil Service Commission in sections 3 (a) and 3 (b) of the bill to the Director of the Incentive Awards Office.

The purpose of amendment (c) is to eliminate the requirement for the Civil Service Commission to submit a separate, special report on incentive-awards programs, permitting its inclusion in their annual report to the Congress. Such inclusion will also channel this report through the Office of the President of the United States.

The purpose of amendment (d) is to place the authority in the Office of the President of the United States for determining the proportionate amount of a cash award that each respective benefiting department shall pay, where an individual suggestion has benefited a number of them.

The purpose of amendment (e) is to limit to \$25,000 an individual cash award which has been approved by the Civil Service Commission.

Amendment (f) is a technical amendment which conforms the language of sections 4 (b) and 8 (a).

Amendment (g) is a technical amendment which redesignates this section and conforms its language with that of sections 4 (b) and 3 (a).

The purpose of amendment (h) is to authorize the President of the United States to grant cash awards or honorary recognition. Such Presidential awards may be in addition to those authorized in section 3 (a). Accordingly, it is possible for an award to be in excess of \$25,000, provided it is so highly exceptional or meritorious as to justify such an additional award by the President.

Amendment (i) is a technical amendment to redesignate this section and place it in its proper location in the bill.

STATEMENT

This legislation consolidates all laws presently governing the various incentive awards programs in the Federal departments and agencies and establishes a single uniform authority under which each respective program will operate. The committee believes that central administrative control is necessary to properly motivate and stimulate interest in awards programs, and this bill vests this responsibility and control in the Civil Service Commission.

Last fall, during the recess from the 1st session of the 83d Congress, the committee visited the following cities: Minneapolis, Chicago, Kansas City, Denver, Sacramento, San Francisco, Los Angeles, New Orleans, and Atlanta. The purpose of these visits was to confer with Federal employees, management officials, and personnel officers at the "grassroots" level on how Federal personnel policies and practices, which were formulated in the central offices here in Washington, were affecting them. Among the personnel programs discussed was that on incentive awards. Industry representatives testified, also, on their similar personnel programs.

The bulk of the testimony given by the Government people indicated that employees manifested only a very casual interest in such awards programs. Among the reasons given for this indifferent attitude and lack of interest were:

1. Management itself had not evidenced any interest and had not encouraged employees to participate in such programs. Accordingly, employees hardly could be expected to display any initiative.

2. Management was too slow in acting on suggestions once employees had submitted them. In several instances testimony showed that agencies had failed even to notify their employees what action, if any, had been taken on their suggestions, after a lapse of over 2 years. Such indifference and lack of consideration materially hindered the successful operations of these awards programs by stifling employee incentive to participate in them.

3. Decentralized authority to any appreciable degree to field offices for considering suggestions and granting awards for those adopted had not been granted. The major reason advanced for this lack of decentralization was the statutory limitation of \$25,000 for each fiscal year that departments and agencies could grant for meritorious suggestions under Public Law 600, 79th Congress, 2d session.

In marked contrast was the testimony given the committee by the industry representatives. They spoke of their awards programs enthusiastically and in terms of glowing praise. All emphasized that such programs are important from many standpoints aside from saving money. Morale and interest in the job to be done is greatly improved, because through these programs employees are made to feel that they are an important part of the organization's operations. One industry representative testified that awards programs are an excellent method whereby employees can be taken in partnership with management. He pointed out that the benefits resulting from such harmonious working relationship is obvious to all.

Nearly all the industry representatives stated that their respective awards programs are based on a percentage of the estimated or actual savings. Therefore, they all indicated that this is one budget item that their companies would like to see go way up, providing it remains on the same basis. These industry officials were amazed when informed that only 195,000 suggestions had been submitted by 2½ million Federal employees for the fiscal year 1953. They appeared to be all of the same opinion, namely, that Federal management officials, having failed to recognize the potential value of such awards programs, have not displayed the proper initiative in stimulating interest in them. In turn, many of these programs have bogged down

completely, and in practically no instance is the Federal Government deriving the maximum benefits possible.

Upon completion of the field trip, the committee carefully reviewed and analyzed the testimony received on incentive awards programs. The Subcommittee on the Federal Civil Service was assigned the task of making initial determinations on proposed legislation to improve the Federal Government's present awards systems. Full subcommittee hearings were held at which representatives of the Civil Service Commission, the Bureau of the Budget, and the General Accounting Office appeared and presented the views of these agencies. On the basis of information developed on the field trips and in these hearings this legislation was introduced. The committee believes that it will correct the fundamental weaknesses in the Government awards programs which are indicated previously in this report.

This legislation will result in no additional cost to the Government. The Civil Service Commission reports that it—

strongly favors the enactment of this proposed legislation, which should make possible even greater benefits in savings and improved operations than have resulted from the awards program now in operation.

The following analysis will explain precisely what this legislation will accomplish and how it strengthens the present laws governing awards programs.

ANALYSIS OF THIS LEGISLATION

Section 1 of this bill establishes a short title, "The Federal Employees Incentive Awards Act of 1954."

Section 2 of this bill defines the terms, "department," "Government," "employees," and "Commission." This section will place all Federal departments and agencies and their employees under the provisions of this bill, including wage-board employees, field postal employees, per diem consultants, and without-compensation officials. The term "Commission" means the United States Civil Service Commission.

Section 3 (a) of this bill imposes a duty on each administrator to establish an incentive awards program for his respective department or agency, in accordance with the standards and regulations established by the Commission.

Section 3 (b) of this bill places the responsibility on the Commission to inspect these various incentive awards plans established under the authority of this legislation. Where such inspection indicates non-compliance with the provisions of this legislation or with the standards and regulations of the Commission, the Commission has the right to request the Administrator to revise or modify his plan to whatever extent is necessary to remedy it.

Section 3 (e) of this bill authorizes the Commission to establish an Incentive Awards Office, appoint a Director thereof, and to delegate to him whatever duties it deems necessary.

Section 3 (d) establishes the line of administrative authority from the director of the incentive awards offices directly to the Executive Director of the Commission.

Section 3 (c) authorizes the Commission to include a statement on the operations of the incentive-awards program in its annual report to the Congress. This authorization eliminates the necessity for the submission of a separate report on this program.

Section 4 (a) authorizes departments to pay cash awards and expenses for honorary recognition from their general appropriations. In addition, it will permit a number of different departments who have all benefited from a single suggestion to share in the award granted therefor. The President of the United States will determine the proportionate amount that each benefiting department will contribute.

Section 4 (b) places a limitation of \$5,000 on an individual cash award which an administrator can grant under his own authority. Cash awards in excess of \$5,000, but not in excess of \$25,000 can be granted, however, providing such award is approved by the Commission.

Section 4 (c) authorizes the President of the United States to pay cash awards and incur expenses for honorary recognition of civilian officers and employees of the Federal Government. Such Presidential awards may be in addition to those authorized in section 3 (a). Accordingly, this section will permit the granting of a cash award in excess of \$25,000 where the adopted suggestion or invention is of a highly meritorious or exceptional nature.

Section 4 (d) is to protect the United States and the District of Columbia from a claim of any nature which might arise from the acceptance of a cash award by any employee, former employee, his heirs, assigns, or estate.

Section 4 (e) states that due weight shall be given to such awards in considering employees for promotion.

Section 5 (a) repeals all existing laws governing incentive-awards programs. Section 702 of the Classification Act of 1949, which authorizes within-grade salary step increases for superior accomplishment is among the laws repealed in this section.

Section 5 (b) is a general "catch all" clause to repeal any inconsistent laws, which might have been overlooked, to the extent of their inconsistency.

Section 5 (c) is to correct the language of section 701 of the Classification Act of 1949 which refers to sections 702 and 1002 of this act. These two sections are repealed by section 5 (a) (1) of this bill.

Section 6 is a savings clause which protects employees who might be receiving within-grade salary step increases for superior accomplishment, or other awards benefits under laws repealed by this bill.

Section 7 authorizes necessary appropriations to carry out the purposes of this bill.

Section 8 establishes the effective date of this legislation as 90 days after its enactment. This will grant departments sufficient time to revise their awards programs in compliance with the provisions of this bill.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SECTIONS 702, 1002, AND 1003 OF THE ACT OF OCTOBER 28, 1949

[SEC. 702. (a) Within the limit of available appropriations and in accordance with standards promulgated by the Commission, each department is authorized, subject to prior approval by the Commission (except as provided in subsection

(b)), to make additional step-increases as a reward for superior accomplishment, but no officer or employee shall be eligible for more than one such additional step-increase within each of the time periods specified in section 701 (a).

[(b) The Commission is authorized to delegate to any department the authority to make the additional step-increases provided for in this section, without prior approval in individual cases by the Commission. The Commission may withdraw or suspend such authority whenever review of such actions by the Commission indicates that standards promulgated by the Commission have not been observed, and may restore such authority whenever it is satisfied that subsequent actions will be taken in conformance with such standards.]

[(c) Each department shall report to the Commission all actions taken under this section, together with the reasons therefor. The Commission shall submit an annual report to Congress covering the numbers and types of actions taken under this section.]

[SEC. 1002. (a) In each department there shall be established an Efficiency Awards Committee, the membership of which shall be designated by the head of the department.

[(b) It shall be the duty of the Efficiency Awards Committee (1) to identify those supervisors and employees within the department whose superior accomplishments have contributed to outstanding efficiency and economy in administration, and (2) to award to such supervisors and employees, subject to the approval of the head of the department and to the limitations of subsection (c), cash awards or increases in rates of basic compensation which, in the judgment of the Committee, are commensurate with their demonstrated superior accomplishments: *Provided, however,* That the total amount of such awards or increases to any group of supervisors and employees shall not exceed 25 per centum of the estimated saving to the Government due to their superior accomplishments.

[(c) Any such cash award or any such increase in rate of basic compensation shall not exceed an amount equal to three times the step-increase of the applicable grade. Any such increase in rate of basic compensation shall be at one, two, or three times the step-increase of the applicable grade and shall be in lieu of any additional compensation as a reward for superior accomplishment under section 702.

[(d) An award under this title shall be given due weight in qualifying and selecting employees for promotion to positions in higher grades.]

[SEC. 1003. The Bureau of the Budget shall maintain control of the program set forth in this title and shall annually report the results of such program to Congress, with such recommendations as it may deem advisable.]

[SEC. 14. The head of each department is authorized, under such rules and regulations as the President may prescribe, to pay cash awards to civilian officers and employees (or to their estates) who make meritorious suggestions which will result in improvement or economy in the operations of his department and which have been adopted for use and to incur necessary expenses for the honorary recognition of exceptional or meritorious service: *Provided,* That no award shall be paid to any officer or employee for any suggestion which represents a part of the normal requirements of the duties of his position. With the exception of the War and Navy Departments, the amount of any one award shall not exceed \$1,000 and the total of cash awards paid during any fiscal year in any department shall not exceed \$25,000. Payments may be made from the appropriation for the activity primarily benefiting or may be distributed among appropriations for activities benefiting as the head of the department determines. A cash award shall be in addition to the regular compensation of the recipient and the acceptance of such cash award shall constitute an agreement that the use by the United States of the suggestion for which the award is made shall not form the basis of a further claim of any nature upon the United States by him, his heirs or assigns.

[All other Acts or parts of Acts in conflict with the provisions of this section are hereby repealed.]

ACT OF DECEMBER 3, 1945

[Authorizing payments of rewards to postal employees for inventions

[Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster General is authorized, under such rules and regulations as he may prescribe, to pay a cash reward for any invention, suggestion, or series of suggestions submitted by one or more employees of the Post Office Department or the postal service, which will clearly effect a

material economy or increase efficiency in the administration or operation of the Post Office Department or the postal service, and which has been adopted for use.

【The total amount of rewards made under this Act in any one fiscal year shall not exceed \$25,000 and the amount so paid for any one invention, suggestion, or series of suggestions shall not exceed \$1,000.

【Rewards made under this Act shall be paid out of the appropriation for the postal activity primarily benefiting, or may be distributed among appropriations for postal activities benefiting, as the Postmaster General may determine. Payments shall be in addition to the regular compensation of the employee receiving the reward. No employee shall be paid a reward under this Act until he has properly executed an agreement to the effect that the use by the United States of the invention, suggestion, or series of suggestions made by him shall not form the basis of a further claim of any nature upon the United States by him, his heirs, or assigns.

【Approved December 3, 1945.】

ACT OF JULY 17, 1912

AN ACT Authorizing the Secretary of War to pay a cash reward for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in manufacturing processes or plant

【Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of War is hereby authorized to offer periodically at such of the establishments of the Ordnance Department as he may select a cash reward for the suggestion, or series of suggestions, for an improvement or economy in manufacturing processes or plant, submitted within the period by one or more employees of the establishment which shall be deemed the most valuable of those submitted and adopted for use: *Provided*, That to obtain this reward the winning suggestion must be one that will clearly effect a material economy in production or increase efficiency or enhance the quality of the product in comparison with its cost and in the opinion of the Secretary shall be so worthy as to entitle the employee making the same to receive the reward: *Provided further*, That the sums awarded to employees in accordance with this Act shall be paid them in addition to their usual compensation and shall constitute part of the general or shop expense of the establishment: *Provided further*, That the total amount paid under the provisions of this Act shall not exceed one thousand dollars for any one month: *And provided further*, That no employee shall be paid a reward under this Act until he has properly executed an agreement to the effect that the use by the United States of the suggestion, or series of suggestions, made by him shall not form the basis of a further claim of any nature upon the United States by him, his heirs, or assigns, and that application for patent has not been made for the invention.

【Approved, July 17, 1912.】

ACT OF JUNE 26, 1944

【Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That The Secretary of the Interior is authorized to pay cash rewards, subject to such regulations as he shall prescribe, to officers and employees of the Department of the Interior, who, in the course of their employment, and subsequent to November 17, 1942, make suggestions or inventions which are of such a nature that their adoption would result in improved technological or scientific processes or methods, or in improvements in the administration or operations of the Department of Interior. The amount expended for the payment of such rewards during any one fiscal year shall not exceed \$20,000 in the aggregate and shall not exceed \$1,000 to any one person, unless a greater amount is specifically appropriated for a named person in an exceptionally meritorious case. For the purposes of this section, the Secretary of the Interior is authorized and directed to set up in the Department a Board of Award, the proceedings of which shall be available to the public. Nothing in this section shall be taken or construed as amending or modifying the present patent and trade-mark laws as they now exist or may hereafter be amended.

【Approved June 26, 1944.】

SUBSECTIONS 35 (A) AND (B) OF THE ACT OF AUGUST 2, 1946

【SEC. 35. (a) The Secretary of the Navy is authorized, in his discretion and under such rules and regulations as he may prescribe, to pay cash rewards to

civilian personnel of the Naval Establishment or other persons in civil life when, due to a suggestion or series of suggestions by them, there results an improvement or economy in manufacturing process or plant or naval material, or in efficiency or economy in the operation or administration of the Navy Department or the Naval Establishment. Such sums as may be awarded to employees in accordance with this section shall be paid them out of naval appropriations in addition to their usual compensation. No employee or other person in civil life shall be paid a reward under this section until he has properly executed an agreement to the effect that the use by the United States of the suggestion or series of suggestions made by him shall not form the basis of a further claim of any nature against the United States by him, his heirs, or assigns.

[(b) Except as provided in subsection (a) hereof, civilian personnel of the Naval Establishment shall not be paid any premium or bonus or cash reward in addition to their regular salaries.]

ACT OF MARCH 13, 1944

[JOINT RESOLUTION To provide cash awards to personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities

[Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Maritime Commission is authorized to pay cash awards for suggestions submitted to it by any of its officers or employees in cases where the suggestion, in the opinion of the Commission or of a committee designated by it, would, if adopted, make for substantially increased efficiency, economy, or general improvement in carrying out the duties, powers, or functions of the Commission. Such suggestions shall be submitted and such awards shall be made under such rules and regulations as the Commission may prescribe, including provision for transfer to the United States of all rights or interests of the officer or employee in the suggestion. The provisions of this section shall apply in like manner to the War Shipping Administration and its officers and employees, and for the purpose of this section the terms "United States Maritime Commission" and "Commission" shall be deemed to refer to the War Shipping Administration. The total amount of cash awards made under this joint resolution in any fiscal year shall not exceed \$5,000 for each such agency, and the amount paid for any one suggestion shall not exceed \$250 for any one suggestion, except in case of a patentable idea, it may be not more than \$1,000.

[Approved March 13, 1944.]

SECTION 701 OF THE ACT OF OCTOBER 28, 1949

TITLE VII—STEP-INCREASES

SEC. 701. (a) Each officer or employee compensated on a per annum basis, and occupying a permanent position within the scope of the compensation schedules fixed by this Act, who has not attained the maximum scheduled rate of compensation for the grade in which his position is placed, shall be advanced in compensation successively to the next higher rate within the grade at the beginning of the next pay period following the completion of (1) each fifty-two calendar weeks of service if his position is in a grade in which the step-increases are less than \$200, or (2) each seventy-eight calendar weeks of service if his position is in a grade in which the step-increases are \$200 or more, subject to the following conditions:

(A) That no equivalent increase in compensation from any cause was received during such [period, except increase made pursuant to section 702 or 1002;] period;

(B) That his current efficiency rating is "good" or better than "good";

(C) That the service and conduct of such officer or employee are certified as being otherwise satisfactory by the department; and

(D) That the benefit of successive step-increases shall be preserved, under regulations issued by the Commission, for officers and employees whose continuous service is interrupted in the public interest by service with the armed forces or by service in essential non-Government civilian employment during a period of war or national emergency.

(b) The term "good" as used in this title shall have the same meaning as when used in the systems of efficiency rating established pursuant to title IX of this Act.

83^D CONGRESS
2^D SESSION

H. R. 7774

[Report No. 1344]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 8, 1954

Mr. HAGEN of Minnesota introduced the following bill; which was referred to the Committee on Post Office and Civil Service

MARCH 10, 1954

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Federal Employees
4 Incentive Awards Act of 1954".

5 SEC. 2. For the purposes of this Act—

6 (a) The term "department" or "Government" includes
7 (1) the executive departments, (2) the independent estab-
8 lishments and agencies in the executive branch, including
9 corporations wholly owned by the United States, (3) the
10 Library of Congress, (4) the Government Printing Office,

1 (5) the General Accounting Office, and (6) the municipal
2 government of the District of Columbia;

3 (b) The term "employees" includes all civilian officers
4 and employees in or under the departments;

5 (c) The term "Commission" means the United States
6 Civil Service Commission.

7 SEC. 3. (a) The head of each department shall pre-
8 pare an incentive-awards plan for his department in ac-
9 cordance with standards and regulations prescribed by the
10 Commission. The incentive-awards plan of each depart-
11 ment shall provide that the head of such department shall
12 grant monetary awards, or provide suitable honorary recog-
13 nition, or both, in his discretion, to or for employees of the
14 Government (~~or the former~~ *or to former* employees or the
15 estates of deceased employees thereof) in those instances in
16 which such persons, while employed by the Government,
17 have contributed to the efficiency, economy, or other improve-
18 ment of the operations of such department, or of any other de-
19 partment, by their suggestions, inventions, superior accom-
20 plishments, or other meritorious personal efforts.

21 (b) The Commission shall inspect and review the op-
22 eration of the incentive-awards plans in the departments to
23 insure compliance with the provisions of this Act and with
24 the standards and regulations of the Commission. The Com-
25 mission is authorized, on its own initiative and after consul-

1 tation with the department concerned, to revise or modify
2 any department's plan to the extent the Commission deems
3 necessary.

4 (c) In order to carry out effectively the purposes of this
5 Act, the Commission shall establish under its jurisdiction an
6 incentive-awards office, appoint a director thereof, and, con-
7 sistently with the provisions of this Act, delegate to such
8 director the duty and responsibility imposed upon the Com-
9 mission under ~~subsection (a)~~ *subsections (a) and (b)* to the
10 extent that the Commission may deem necessary.

11 (d) The director of the incentive-awards office shall
12 be immediately responsible to, and shall report directly to,
13 the executive director of the Commission.

14 ~~(e) The Commission shall submit to the Congress and~~
15 ~~to the respective chairmen of the Committee on Appropria-~~
16 ~~tions of the Senate, the Committee on Appropriations of~~
17 ~~the House of Representatives, the Committee on Post Office~~
18 ~~and Civil Service of the Senate, and the Committee on Post~~
19 ~~Office and Civil Service of the House of Representatives, an~~
20 ~~annual report of the operation of the program of incentive-~~
21 ~~awards plans for the departments under this Act, together~~
22 ~~with such recommendations as the Commission deems~~
23 ~~advisable.~~

24 (e) *The Commission shall include in its annual report to*
25 *the Congress a statement with respect to the operation of the*

1 *program of incentive-awards plans for the departments under*
2 *this Act, together with such recommendations as the Commis-*
3 *sion may deem advisable.*

4 SEC. 4. (a) Awards and expenses for honorary recog-
5 nition under section 3 of this Act may be paid from funds
6 or appropriations of the department primarily benefiting
7 or may be paid from the several funds or appropriations of
8 the various departments benefiting. *The President of the*
9 *United States shall determine the proportionate share of each*
10 *respective benefiting department.*

11 (b) A monetary award granted under an incentive-
12 awards plan shall not exceed \$5,000, except that an award
13 in excess of such amount *but not in excess of \$25,000* may be
14 granted, with the approval of the Commission, in special cases
15 in which the head of a department certifies to the Commis-
16 sion that the ~~idea, method, or device~~ *suggestion, invention,*
17 *superior accomplishment, or other meritorious effort* for which
18 such award is proposed to be made is highly exceptional and
19 unusually outstanding.

20 (c) *The President of the United States is authorized to*
21 *pay monetary awards to, and to incur necessary expenses for*
22 *the honorary recognition of, civilian officers and employees*
23 *of the Government who by their suggestions, inventions, su-*
24 *perior accomplishments, or other personal efforts contribute*
25 *to the efficiency, economy, or other improvements of Govern-*

1 *ment operations, or who perform exceptionally meritorious*
 2 *special acts or services in the public interest in connection*
 3 *with or related to their official employment. Such Presidential*
 4 *awards may be in addition to departmental awards authorized*
 5 *in section 3 (a).*

6 ~~(e)~~ (d) The acceptance of a monetary award shall con-
 7 stitute an agreement that ~~the use by the United States of any~~
 8 ~~idea, method, or device~~ *any benefit derived by the United*
 9 *States or the District of Columbia as a result of the suggestion,*
 10 *invention, superior accomplishment, or other meritorious per-*
 11 *sonal effort* for which the award is made shall not form the
 12 basis of a claim of any nature against the United States or
 13 the District of Columbia by the employee or former em-
 14 ployee, or his heirs, assigns, or estate.

15 ~~(d)~~ (e) A monetary award or honorary recognition shall
 16 be given due weight in qualifying and selecting employees
 17 for promotion.

18 SEC. 5. (a) The following laws and parts of laws are
 19 hereby repealed:

20 (1) Sections 702, 1002, and 1003 of the Classification
 21 Act of 1949 (5 U. S. C., secs. 1122, 1152, 1153) ;

22 (2) Section 14 of the Act entitled "An Act to author-
 23 ize certain administrative expenses in the Government serv-
 24 ice, and for other purposes", approved August 2, 1946 (5
 25 U. S. C., sec. 116a) ;

1 (3) The Act entitled “An Act authorizing payments
2 of rewards to postal employees for inventions”, approved
3 December 3, 1945 (39 U. S. C., sec. 813) ;

4 (4) The Act entitled “An Act authorizing the Secretary
5 of War to pay a cash award for suggestions submitted by
6 employees of certain establishments of the Ordnance Depart-
7 ment for improvement or economy in manufacturing process
8 or plant”, approved July 17, 1912 (50 U. S. C., sec. 58) ;

9 (5) The Act entitled “An Act to provide equitable com-
10 pensation for useful suggestions or inventions by personnel
11 of the Department of the Interior”, approved June 26, 1944
12 (5 U. S. C., sec. 500) ;

13 (6) Subsections (a) and (b) of section 35 of the Act
14 entitled “An Act to enact certain provisions now included
15 in the Naval Appropriation Act, 1946, and for other pur-
16 poses”, approved August 2, 1946 (5 U. S. C., sec. 416) ;
17 and

18 (7) The joint resolution entitled “Joint Resolution to
19 provide cash awards to personnel of the Maritime Commis-
20 sion and the War Shipping Administration for useful sugges-
21 tions to improve administration of their activities”, approved
22 March 13, 1944 (46 U. S. C., sec. 1111b) .

23 (b) All other laws or parts of laws inconsistent with this
24 Act are hereby repealed to the extent of such inconsistency.

25 (c) Paragraph (A) of subsection (a) of section 701

1 of the Classification Act of 1949, as amended (5 U. S. C.,
2 sec. 1121 (a)), is amended by striking out the comma and
3 the following: "except increase made pursuant to section
4 702 or 1002".

5 SEC. 6. The enactment of this Act shall not affect the
6 right of any employee to an award granted him under any
7 provision of law repealed by this Act.

8 SEC. 7. There are hereby authorized to be appropriated
9 such sums as may be necessary to carry out the purposes of
10 this Act.

11 SEC. 8. This Act shall take effect on the ninetieth day
12 after the date of its enactment.

83^d CONGRESS
2^d Session

H. R. 7774

[Report No. 1344]

A BILL

To establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

By Mr. HAGEN of Minnesota

FEBRUARY 8, 1954

Referred to the Committee on Post Office and Civil Service

MARCH 10, 1954

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 6, 1954
For actions of April 5, 1954
83rd-2nd, No. 62

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HIGHLIGHTS: House passed bills to: Authorize land banks to purchase FFMC assets; liberalize plant patenting law; regulate pesticide chemicals on food; establish single incentive-awards program. House debated Interior appropriation bill. House agreed to conference report on Mexican farm-labor appropriation measure. Rep. Willis urged increased mainland cane-sugar quota. Senate debated road-authorization bill. Sen. Aiken introduced bills on emergency farm loans, crop-insurance financing, and tenant-loan encouragement. Senate passed bills to: Authorize Attorney General to conduct certain crime investigations; remove limitations on Miles City research-land transfer. Sen. Ellender recommended increased mainland cane-sugar quota.

HOUSE

1. PESTICIDE CHEMICALS. Passed as reported H. R. 7125, to prohibit the use of pesticide chemicals as additives to raw agricultural commodities unless the quantity does not exceed the limits of tolerance as established by HEW or is exempted from the requirement of tolerance by the Secretary of HEW, and to provide for regulations for classifications of pesticide chemicals according to the degree of tolerance, etc. (pp. 4334-6).
2. FARM LOANS. Passed without amendment H. R. 6711, to further amend section 13 of the Federal Farm Loan Act so as to authorize the Federal land banks to make a bulk purchase of certain remaining assets of the Federal Farm Mortgage Corporation (pp. 4336-7).
Received from this Department a proposed bill to eliminate the requirement that economic disaster loans be restricted to areas designated by the President and to make additional funds available for economic emergency loans; to Agriculture Committee (p. 4370).
3. RESEARCH. Passed as reported H. R. 5420, which provides that whoever invents or discovers and asexually reproduces any distinct and new variety of plant, including cultivated sports, mutants, hybrids, and newly found seedlings (other

than a tuberpropagated plant or a plant found in an uncultivated state) may obtain a patent therefor under the Plant Patent Act (p. 4337).

Passed without amendment S. 1456, to authorize the Gorgas Memorial Institute to accept funds from Latin American governments for its maintenance (p. 4332). This bill will now be sent to the President.

4. PERSONNEL. Passed with amendments H. R. 7774, the proposed "Federal Employees Incentive Awards Act of 1954" (pp. 4328-31). The bill provides as follows: Imposes a duty on each administrator to establish an incentive awards program for his department or agency in accordance with standards and regulations of the Civil Service Commission. Places the responsibility on the Commission to inspect these programs and to request the administrator to revise or modify his plan if necessary. Authorizes the Commission to establish an incentive awards office, appoint a director thereof, and delegate to him whatever duties it deems necessary. Establishes the line of administrative authority from the director of the incentive awards office directly to the Executive Director of the Commission. Authorizes departments to pay cash awards and expenses for honorary recognition from their general appropriations; and permits a number of different departments who have all benefited from a single suggestion to share in the award granted therefor. Places a limitation of \$5,000 on an individual cash award which an administrator can grant under his own authority, but permits such awards up to \$25,000 if approved by the Commission. Authorizes the President to pay additional cash awards and incur expenses for honorary recognition if a suggestion or invention is of a highly meritorious or exceptional nature. States that due weight shall be given to awards in considering employees for promotion. Repeals all existing laws governing incentive-awards programs. Establishes the effective date of the bill as 90 days after its enactment.

Rep. Hagen, subcommittee chairman, stated: "I want to emphasize at this point that section 3 (a) of this bill will permit departments and agencies to continue the practice of granting length-of-service awards for longevity as is presently done under authority of Public Law 600 of the 79th Congress" (p. 4329).

5. CIVIL DEFENSE. Passed without amendment H. R. 7308, to repeal Sec. 307 of the Federal Civil Defense Act of 1950 which provides for termination of title III (emergency authority) on June 30, 1954 (p. 4328).
6. FARM LABOR. Agreed to the conference report on H. J. Res. 461, appropriating \$478,000 additional to the Labor Department for the Mexican farm labor program (p. 4324).
7. INTERIOR APPROPRIATION BILL, 1955. Began debate on this bill, H. R. 8680 (pp. 4340-61). A considerable portion of the debate was on reclamation and electrification items.
8. SUGAR. Rep. Willis urged an increase in the quota of the mainland cane sugar area from 500,000 to 600,000 tons of raw sugar (pp. 4368-70).
9. TUNA IMPORTS. Rep. King, Calif., urged increased restrictions on tuna imports (pp. 4361-2).

SENATE

10. ROAD AUTHORIZATIONS. Began debate on S. 3184, to authorize road appropriations for the fiscal years 1956 and 1957 (pp. 4310-2).
11. SUGAR. Sen. Ellender spoke in favor of his bill, S. 3019, to increase the domestic sugarcane quota by 100,000 tons (pp. 4318-9).

H. R. 8318, 83D CONGRESS

Section 3—Continued

(c): Similar to section 5 (c) of the act except that the Secretary of Commerce is inserted in lieu of the Maritime Commission.

Similar exemption included in section 3 (c) of bill.

Similar provision included in section 3 (c) of bill, except that "Secretary of the department in which the Coast Guard is operating" is inserted in lieu of Board of Supervising Inspectors, etc.

(d): Contains provision similar to (f) in the act, except that the authority is vested in the Secretary of Commerce instead of in the Maritime Commission. Subsection (d) also authorizes the Secretary to operate or charter for operation any vessel to be utilized under this act to private operators who are citizens of the United States or to any Government agency, without regard to title VII of the Merchant Marine Act of 1936, which deals with private charter operation.

(e): Similar to subsection (g) except that period of emergency is that described in section 1 of the bill.

(f): Construes the term "documented" to mean "licensed," as well as "registered," or "enrolled and licensed."

"INTERSTATE CIVIL DEFENSE AND DISASTER
COMPACT"

"The contracting States solemnly agree:

"Article 1. The purpose of this compact is to provide mutual aid among the States in meeting any emergency or disaster from enemy attack or other cause (natural or otherwise) including sabotage and subversive acts and direct attacks by bombs, shell-fire, and atomic, radiological, chemical, bacteriological means, and other weapons. The prompt, full, and effective utilization of the resources of the respective States, including such resources as may be available from the United States Government or any other source, are essential to the safety, care, and welfare of the people thereof in the event of enemy action or other emergency, and any other resources, including personnel, equipment, or supplies, shall be incorporated into a plan or plans of mutual aid to be developed among the civil defense agencies or similar bodies of the States that are parties hereto. The directors of civil defense of all party States shall constitute a committee to formulate plans and take all necessary steps for the implementation of this compact.

"Article 2. It shall be the duty of each party State to formulate civil defense plans and programs for application within such State. There shall be frequent consultation between the representatives of the States and with the United States Government and the free exchange of information and plans, including inventories of any material and equipment available for civil defense. In carrying out such civil defense plans and programs the party States shall so far as possible provide and follow uniform standards, practices, and rules and regulations including—

"(a) Insignia, arm bands, and any other distinctive articles to designate and distinguish the different civil defense services;

"(b) Blackouts and practice blackouts, air-raid drills, mobilization of civil defense forces, and other tests and exercises;

"(c) Warnings and signals for drills or attacks and the mechanical devices to be used in connection therewith;

"(d) The effective screening or extinguishing of all lights and lighting devices and appliances;

"(e) Shutting off water mains, gas mains, electric power connections, and the suspension of all other utility services;

"(f) All materials or equipment used or to be used for civil-defense purposes in order to assure that such materials and equipment will be easily and freely interchangeable when used in or by any other party State;

"(g) The conduct of civilians and the movement and cessation of movement of pedestrians and vehicular traffic, prior, during, and subsequent to drills or attacks;

"(h) The safety of public meetings or gatherings; and

"(i) Mobile support units.

"Article 3. Any party State requested to render mutual aid shall take such action as is necessary to provide and make available the resources covered by this compact in accordance with the terms hereof; provided, that it is understood that the State rendering aid may withhold resources to the extent necessary to provide reasonable protection for such State. Each party State shall extend to the civil-defense forces of any other party State, while operating within its State limits under the terms and conditions of this compact, the same powers (except that of arrest unless specifically authorized by the receiving State), duties, rights, privileges, and immunities as if they were performing their duties in the State in which normally employed or rendering services. Civil-defense forces will continue under the command and control of their regular leaders but the organizational units will come under the operational control of the civil-defense authorities of the State receiving assistance.

"Article 4. Whenever any person holds a license, certificate, or other permit issued by any State evidencing the meeting of qualifications for professional, mechanical, or other skills, such person may render aid involving such skill in any party State to meet an emergency or disaster and such State shall give due recognition to such license, certificate, or other permit as if issued in the State in which aid is rendered.

"Article 5. No party State or its officers or employees rendering aid in another State pursuant to this compact shall be liable on account of any act or omission in good faith on the part of such forces while so engaged, or on account of the maintenance or use of any equipment or supplies in connection therewith.

"Article 6. Inasmuch as it is probable that the pattern and detail of the machinery for mutual aid among two or more States may differ from that appropriate among other States party hereto, this instrument contains elements of a broad base common to all States, and nothing herein contained shall preclude any State from entering into supplementary agreements with another State or States. Such supplementary agreements may comprehend, but shall not be limited to, provisions for evacuation and reception of injured and other persons, and the exchange of medical, fire, police, public utility, reconnaissance, welfare, transportation, and communications personnel, equipment, and supplies.

"Article 7. Each party State shall provide for the payment of compensation and death benefits to injured members of the civil-defense forces of that State and the representatives of deceased members of such forces in case such members sustain injuries or are killed while rendering aid pursuant to this compact, in the same manner and on the same terms as if the injury or death were sustained within such State.

"Article 8. Any party State rendering aid in another State pursuant to this compact

shall be reimbursed by the party State receiving such aid for any loss or damage to, or expense incurred in the operation of, any equipment answering a request for aid and for the cost incurred in connection with such requests; provided, that any aiding party State may assume in whole or in part such loss, damage, expense, or other cost, or may loan such equipment or donate such services to the receiving party State without charge or cost; and provided further, that any two or more party States may enter into supplementary agreements establishing a different allocation of costs as among those States. The United States Government may relieve the party State receiving aid from any liability and reimburse the party State supplying civil-defense forces for the compensation paid to and the transportation, subsistence, and maintenance expenses of such forces during the time of the rendition of such aid or assistance outside the State and may also pay fair and reasonable compensation for the use or utilization of the supplies, materials, equipment, or facilities so utilized or consumed.

"Article 9. Plans for the orderly evacuation and reception of the civilian population as the result of an emergency or disaster shall be worked out from time to time between representatives of the party States and the various local civil-defense areas thereof. Such plans shall include the manner of transporting such evacuees, the number of evacuees to be received in different areas, the manner in which food, clothing, housing, and medical care will be provided, the registration of the evacuees, the providing of facilities for the notification of relatives or friends, and the forwarding of such evacuees to other areas or the bringing in of additional materials, supplies, and all other relevant factors. Such plans shall provide that the party State receiving evacuees shall be reimbursed generally for the out-of-pocket expenses incurred in receiving and caring for such evacuees, for expenditures for transportation, food, clothing, medicines, and medical care and like items. Such expenditures shall be reimbursed by the party State of which the evacuees are residents, or by the United States Government under plans approved by it. After the termination of the emergency or disaster the party State of which the evacuees are resident shall assume the responsibility for the ultimate support or repatriation of such evacuees.

"Article 10. This compact shall be available to any State, Territory, or possession of the United States, and the District of Columbia. The term 'State' may also include any neighboring foreign country or province or state thereof.

"Article 11. The committee established pursuant to Article 1 of this compact may request the Civil Defense Agency of the United States Government to act as an informational and coordinating body under this compact, and representatives of such agency of the United States Government may attend meetings of such committee.

"Article 12. This compact shall become operative immediately upon its ratification by any State as between it and any other State or States so ratifying and shall be subject to approval by Congress unless prior congressional approval has been given. Duly authenticated copies of this compact and of such supplementary agreements as may be entered into shall, at the time of their approval, be deposited with each of the party States and with the Civil Defense Agency and other appropriate agencies of the United States Government.

"Article 13. This compact shall continue in force and remain binding on each party State until the legislature or the governor of such party State takes action to withdraw therefrom. Such action shall not be effective until 30 days after notice thereof has been sent by the governor of the party State

desiring to withdrawn to the governors of all other party States.

"Article 14. This compact shall be construed to effectuate the purposes stated in article 1 hereof. If any provision of this compact is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality of the remainder of this compact and the applicability thereof to other persons and circumstances shall not be affected thereby."; and

Whereas the District of Columbia has been requested by several of the States to enter into such compacts with such States; and

Whereas the Commissioners of the District of Columbia are without authority to enter into such compacts: Therefore be it

Resolved, etc., That the Commissioners of the District of Columbia are authorized to enter into and execute on behalf of the District of Columbia interstate civil-defense compacts with the States, substantially in the form set forth in the preamble of this act. The form of compact set forth in the preamble of this act may include, in lieu of the second sentence of article 3 thereof, the following: "Each party State shall extend to the civil-defense forces of any other party State, while operating within its State limits under the terms and conditions of this compact, the same powers (except that of arrest unless specifically authorized by the receiving State) duties, rights, privileges, and immunities as are extended to the civil-defense forces of such State."

Sec. 2. Notwithstanding the provisions of the Federal Civil Defense Act of 1950, the consent of Congress is hereby granted to each compact entered into by the District of Columbia with any State pursuant to the provisions of this act.

Sec. 3. Whenever any such compact becomes operative by ratification of the parties thereto, such compact shall have the force and effect of law.

Sec. 4. As used in this act the word "State" includes the Territories and possessions of the United States and the District of Columbia.

With the following committee amendment:

Page 8, line 13, after the word "Columbia", insert "and with respect to the District of Columbia the word 'Governor' means the Commissioners of the District of Columbia."

The amendment was agreed to.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPEALING SECTION 307 OF FEDERAL CIVIL DEFENSE ACT OF 1950

The Clerk called the bill (H. R. 7308) to repeal section 307 of title III of the Federal Civil Defense Act of 1950, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 307 of the Federal Civil Defense Act of 1950, as amended (50 U. S. C. App. 2297), is hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPEALING SECTION 1174 OF THE REVISED STATUTES

The Clerk called the bill (H. R. 7329) to repeal section 1174 of the Revised Statutes, as amended, relating to the co-

operation of medical officers with line officers in superintending cooking by enlisted men.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1174 of the Revised Statutes, as amended, is hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING CERTAIN MEMBERS OF THE ARMED FORCES TO ACCEPT AND WEAR CERTAIN FOREIGN DECORATIONS

The Clerk called the bill (S. 2247) to authorize certain members of the Armed Forces to accept and wear decorations of certain foreign nations.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, could we have an explanation of the necessity for the bill?

Mr. JOHNSON of California. Mr. Speaker, this is a bill which permits the wearing of foreign decorations. It is primarily aimed at certain decorations which the Republic of Korea wishes to give to some of the soldiers and officers who participated in that war.

Mr. GROSS. Is it limited to the Republic of Korea?

Mr. JOHNSON of California. No; it is not limited to the Republic of Korea. We gave the bill careful consideration and felt that it is a very fine bill to have.

Mr. PRICE. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. PRICE. I think, however, it is limited to the Korean war and to decorations of any of the partners in the United Nations effort over there.

Mr. JOHNSON of California. That is right.

Mr. GROSS. Russia is a partner in the United Nations; is that correct?

Mr. JOHNSON of California. I do not think she would be apt to give Korean decorations to our men.

Mr. GROSS. But is this strictly limited to the Korean war?

Mr. PRICE. This is limited to decorations awarded by the United Nations to our men during the Korean war.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. KEATING. Is it not a fact that following World War II we did pass similar legislation to permit the United States officers and men to wear decorations given by other participating foreign countries?

Mr. JOHNSON of California. We did; and then we abrogated it because of the fact that one individual was receiving too many decorations from South America. We want to reopen it now and allow our officers and men to accept and wear decorations presented by our allies.

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object,

does this now permit the awarding of these metals by any nation, a member of the United Nations?

Mr. JOHNSON of California. It only applies to the soldiers of those countries who were in the United Nations Command.

Mr. HOFFMAN of Michigan. The net result of this then is that if Russia wants to award a declaration to an American, he is at liberty to accept it? It seems to me that is a rather peculiar position to get into.

Mr. BROOKS of Louisiana. Mr. Speaker, I would like to explain this.

The SPEAKER. Does the gentleman from Michigan yield?

Mr. HOFFMAN of Michigan. No, Mr. Speaker. I object to the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOFFMAN of Michigan. Mr. Speaker, I object.

FEDERAL EMPLOYEES INCENTIVE AWARDS PROGRAMS

The Clerk called the bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, I would like to inquire of the author of the bill or some member of the committee. I may say to the gentleman from Minnesota that the report states this bill will result in no additional cost to the Government; yet, in reading the bill, I find that awards may be made of from \$5,000 to \$25,000. Will the gentleman explain why it does not cost the Government any additional money, if it does not; and if it does, how much?

Mr. HAGEN of Minnesota. The awards are paid out of the savings made through suggestions of employees of the Federal Government. If they make a suggestion that will save \$10,000, they might be given an award of \$200 and this is paid out of the saving of \$10,000 which is made due to the suggestion.

Mr. CUNNINGHAM. The money comes from the employees of the Federal Government and not the Federal Treasury?

Mr. HAGEN of Minnesota. No, it would not come from the employees; it would come out of the Federal Treasury, but from funds which are actually saved to the Government.

Mr. CUNNINGHAM. Who does the money belong to?

Mr. HAGEN of Minnesota. The money comes out of general appropriations for the operation of an agency. For example, if a suggestion or idea is made which saves \$25,000 of the money originally appropriated for running the agency that much more efficiently and more economically, that money is saved to the Government, it would be saved to the department. From that saving the awards are made for the suggestion that has been given which resulted in the saving.

Mr. CUNNINGHAM. The rewards are the result of incentive suggestions by employees which in the long run save money for the Government?

Mr. HAGEN of Minnesota. Actually and definitely yes. In 1952 there was a saving of \$33½ million; in 1953 the figure was \$44 million. This measure will result in further incentives to further savings. I think it will result in many more millions of dollars of savings each year.

Mr. MURRAY. Mr. Speaker, reserving the right to object, if there is no objection to immediate consideration of this bill, I propose to offer an amendment which I understand is agreeable to the Committee on Post Office and Civil Service and also to the author, the gentleman from Minnesota [Mr. HAGEN].

Mr. HAGEN of Minnesota. Mr. Chairman, my subcommittee on the Federal Civil Service was established pursuant to House Resolution 32, which authorizes the House Committee on Post Office and Civil Service to conduct studies on Federal personnel administrations and to formulate legislative and administrative recommendations for more effective and economical utilization of Federal personnel.

One important project of my subcommittee has been that on incentive awards programs. Last fall, during the recess from the first session of this Congress, members of my subcommittee visited the following cities throughout these United States: Minneapolis, Chicago, Kansas City, Denver, Sacramento, San Francisco, Los Angeles, New Orleans, and Atlanta.

The purpose of these visits was to get out and talk first hand with Federal management officials, personnel officers, and employees out in the field, to determine how the personnel policies and practices, which were formulated in the central offices here in Washington, were affecting them. Inasmuch as 90 percent of our great Federal work force is located outside of metropolitan Washington, we felt that their views and ideas would be most helpful to us in our determination on how to improve these programs.

I am pleased to report that the response to this field trip was most enthusiastic on the part of all out in the field. Many employees from remote parts of the various States came to the hearings at their own expense to give our committee their comments on the various phases of personnel administration, including incentive awards programs.

Industry representatives also came in, and discussed the administration and operations of similar personnel programs within their respective organizations. Without exception, those industries having incentive awards plans in operation all spoke out about them in terms of glowing praise. They pointed out that their awards were paid on a percentage basis of the actual or estimated dollar savings to their company, and stated that the incidental benefits derived from such programs, such as improved morale and better operating efficiency were of major importance, as well as the primary

objective—to save money. One official pointed out that these awards programs were one fine way in which employees could be taken into partnership with management and be made to feel that they were an important part of its operation.

The industry representatives were amazed when informed that all the Federal departments and agencies, except the Defense Department, were presently limited to \$1,000 for an individual cash award, and \$25,000 for an entire Federal department for any one fiscal year. In commenting on this particular point, one industry official reported that awards to his employees were based on 10 percent of the savings, and that his company would like to see its budget soar on incentive awards provided it remained on the same basis. Another industry official stated that he could see no reason for limiting the size of the awards because of the fact that the suggestion benefits might be unusually large. Rather, he felt that just the opposite was true, in that large awards meant that large savings had been realized.

In contrast, the testimony of the Government witnesses indicated that both employees and management manifested only a casual interest in present and existing awards programs. Among the more prevalent reasons for this indifferent attitude and lack of interest were:

First. Employees stated that management had not evidenced any real interest in awards programs and had not encouraged its employees to participate in them. In some instances, they had actually discouraged employees from submitting suggestions. Accordingly, employees could hardly be expected to display any initiative and positive interest in such awards programs.

Second. Among those agencies having programs, management was often very slow in notifying employees what action it was taking on their suggestions. In fact, on several occasions more than 2 years had elapsed and the employee still had not been informed as to whether or not his suggestion had ever been considered. Such lack of consideration materially hindered the operations of awards programs by stifling employees' incentive to participate in them.

Third. Due to the limitation imposed under Public Law 600 of the 79th Congress, as previously mentioned, decentralized authority to any appreciable degree for the awarding of employees for adopted suggestions has not been granted.

Consideration of this testimony made it evident to my subcommittee and to me that the Federal Government was barely scratching the surface of incentive awards programs. It appeared to us that there was at least two major reasons for this: First, that some Federal management officials had failed to recognize the potential value of such programs, and therefore had not shown the proper interest in them; and second, that the present awards legislation in many instances imposed such rigid limitations on them that they had little or no opportunity to operate an effective awards program, even if they so desired.

The obvious result has been that the majority of these awards programs have bogged down, and in practically no instance has the Federal Government derived the maximum benefits from them. No doubt these are at last two reasons why the employees of two industrial concerns—Eastman Kodak and General Electric—have turned in as many suggestions for 1952 and 1953 as did the entire body of eligible Federal employees, which outnumbered them 10 to 1.

Upon completion of this field trip my Subcommittee on the Federal Civil Service carefully considered the testimony furnished us on incentive awards. In addition, representatives of the Civil Service Commission, the Bureau of the Budget, and the General Accounting Office were called in to give us their views and ideas on how to improve the Government's awards programs. This bill, H. R. 7774, represents the very best combination of all the many fine ideas and suggestions received and considered by us from all of these different sources.

Section 2 of this bill will for the first time permit wage board employees to participate in a uniform awards program. In at least one defense component, the Department of the Navy, the majority of its employees fall into the wageboard category, so the potential value of this extended coverage is obvious. The postal field employees are another major group numbering almost 500,000 which will be included under the provisions of this legislation.

Section 3 of this bill imposes a duty on each administrator to establish an awards program for his agency and to actively promote it. The Civil Service Commission is charged with the responsibility for making certain that these duties are carried out, and are further charged with the duty of providing the proper stimulus to make these programs operate effectively.

My subcommittee and I intend to watch this particular activity with a great deal of interest because we hope and expect the Commission to stir these awards programs out of their present lethargical state and arouse active interest and participation in them, so that the Federal Government might ultimately derive maximum cash savings and other benefits commensurate with that presently enjoyed in industry.

I want to emphasize at this point that section 3 (a) of this bill will permit departments and agencies to continue the practice of granting length-of-service awards for longevity as is presently done under authority of Public Law 600 of the 79th Congress, because we feel that the recognition of long and faithful service is an important additional incentive to efficient work performance by employees.

Section 4 authorizes departments to pay cash awards and grant honorary recognition for suggestions, inventions, superior accomplishments, or other meritorious personal efforts. This section permits individual administrators to authorize single awards up to \$5,000, and permits the Civil Service Commission to authorize single awards up to \$25,000, where they have determined that the basis therefor is highly exceptional and

unusually outstanding. In addition, this section permits more than one department to share in the payment of a cash award, with the office of the President being designated to determine each department's proportionate amount. The President of the United States also is authorized to grant both honorary and cash awards in addition to those granted by the departments. Accordingly, I feel that this section materially liberalizes the granting of individual awards, and should go far in removing one present objection, namely, that inadequate recognition is all that often can be shown due to statutory limitations.

The practice of paying awards from general appropriations, based on a percentage of savings resulting from the adopted suggestion, will be continued in this legislation. My subcommittee and I both hope that these cash awards budgets will be materially increased as it has in industry, because that will mean increased savings for the Federal Government. I feel that this is of major importance, in view of the fact that many of our Federal agencies are operating on reduced appropriations, or on an increased workload with no additional funds, and at the same time, are expected to perform their functions with the same degree of efficiency. I believe that this bill will be of valuable assistance to them in meeting this responsibility.

In fact, I sincerely believe that this legislation, H. R. 7774, will eliminate all of the obstacles I have previously referred to, and will provide departments and agencies for the first time with an improved management tool which will help them establish effective incentive-awards programs from which the Federal Government can derive maximum benefits such as improved morale, greater operating efficiency, and last, but most important of all, cash savings expected to run into many more millions of dollars annually.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Federal Employees Incentive Awards Act of 1954."

SEC. 2. For the purposes of this act—

(a) The term "department" or "Government" includes (1) the executive departments, (2) the independent establishments and agencies in the executive branch, including corporations wholly owned by the United States, (3) the Library of Congress, (4) the Government Printing Office, (5) the General Accounting Office, and (6) the municipal government of the District of Columbia;

(b) The term "employees" includes all civilian officers and employees in or under the departments;

(c) The term "Commission" means the United States Civil Service Commission.

SEC. 3. (a) The head of each department shall prepare an incentive-awards plan for his department in accordance with standards and regulations prescribed by the Commission. The incentive-awards plan of each department shall provide that the head of such department shall grant monetary awards, or provide suitable honorary recognition, or both, in his discretion, to or for employees of the Government (or the former employees or the estates of deceased employees thereof) in those instances in

which such persons, while employed by the Government, have contributed to the efficiency, economy, or other improvement of the operations of such department, or of any other department, by their suggestions, inventions, superior accomplishments, or other meritorious personal efforts.

(b) The Commission shall inspect and review the operation of the incentive-awards plans in the departments to insure compliance with the provisions of this act and with the standards and regulations of the Commission. The Commission is authorized, on its own initiative and after consultation with the department concerned, to revise or modify any department's plan to the extent the Commission deems necessary.

(c) In order to carry out effectively the purposes of this act, the Commission shall establish under its jurisdiction an incentive-awards office, appoint a director thereof, and, consistently with the provisions of this act, delegate to such director the duty and responsibility imposed upon the Commission under subsection (a) to the extent that the Commission may deem necessary.

(d) The director of the incentive-awards office shall be immediately responsible to, and shall report directly to, the executive director of the Commission.

(e) The Commission shall submit to the Congress and to the respective chairmen of the Committee on Appropriations of the Senate, the Committee on Appropriations of the House of Representatives, the Committee on Post Office and Civil Service of the Senate, and the Committee on Post Office and Civil Service of the House of Representatives, an annual report of the operation of the program of incentive-awards plans for the departments under this act, together with such recommendations as the Commission deems advisable.

SEC. 4. (a) Awards and expenses for honorary recognition under section 3 of this act may be paid from funds or appropriations of the department primarily benefiting or may be paid from the several funds or appropriations of the various departments benefiting.

(b) A monetary award granted under an incentive-awards plan shall not exceed \$5,000, except that an award in excess of such amount may be granted, with the approval of the Commission, in special cases in which the head of a department certifies to the Commission that the idea, method, or device for which such award is proposed to be made is highly exceptional and unusually outstanding.

(c) The acceptance of a monetary award shall constitute an agreement that the use by the United States of any idea, method, or device for which the award is made shall not form the basis of a claim of any nature against the United States or the District of Columbia by the employee or former employee, or his heirs, assigns, or estate.

(d) A monetary award or honorary recognition shall be given due weight in qualifying and selecting employees for promotion.

SEC. 5. (a) The following laws and parts of laws are hereby repealed:

(1) Sections 702, 1002, and 1003 of the Classification Act of 1949 (5 U. S. C., secs. 1122, 1152, 1153);

(2) Section 14 of the act entitled "An act to authorize certain administrative expenses in the Government service, and for other purposes," approved August 2, 1946 (5 U. S. C., sec. 116a);

(3) The act entitled "An act authorizing payments of rewards to postal employees for inventions," approved December 3, 1945 (39 U. S. C., sec. 813);

(4) The act entitled "An act authorizing the Secretary of War to pay a cash award for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in manufacturing process or plant," approved July 17, 1912 (50 U. S. C., sec. 58);

(5) The act entitled "An act to provide equitable compensation for useful suggestions or inventions by personnel of the Department of the Interior," approved June 20, 1944 (5 U. S. C., sec. 500);

(6) Subsections (a) and (b) of section 35 of the act entitled "An act to enact certain provisions now included in the Naval Appropriation Act, 1946, and for other purposes," approved August 2, 1946 (5 U. S. C., sec. 416); and

(7) The joint resolution entitled "Joint resolution to provide cash awards to personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities," approved March 13, 1944 (46 U. S. C., sec. 1111b).

(b) All other laws or parts of laws inconsistent with this act are hereby repealed to the extent of such inconsistency.

(c) Paragraph (A) of subsection (a) of section 701 of the Classification Act of 1949, as amended (5 U. S. C., sec. 1121 (a)), is amended by striking out the comma and the following: "except increase made pursuant to section 702 or 1002."

SEC. 6. The enactment of this act shall not affect the right of any employee to an award granted him under any provision of law repealed by this act.

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this act.

SEC. 8. This act shall take effect on the 90th day after the date of its enactment.

With the following committee amendments:

The amendments are as follows:

Page 2, line 14, strike out "or the former" and insert in lieu thereof "or to former."

Page 3, line 9, strike out "subsection (a)" and insert in lieu thereof "subsections (a) and (b)."

Page 3, strike out subsection (e) and insert in lieu thereof the following:

"(e) The Commission shall include in its annual report to the Congress a statement with respect to the operation of the program of incentive awards plans for the departments under this act, together with such recommendations as the Commission may deem advisable."

Page 4, line 3, after the period insert the following sentence:

"The President of the United States shall determine the proportionate share of each respective benefiting department."

Page 4, line 6, after the word "amount", insert "but not in excess of \$25,000."

Page 4, at lines 8 and 9, strike out "idea, method, or device" and insert in lieu thereof "suggestion, invention, superior accomplishment, or other meritorious effort."

Page 4, line 11, subsection (c) of the introduced bill is redesignated as subsection (d), and is amended by striking out "the use by the United States of any idea, method, or device" and inserting in lieu thereof "any benefit derived by the United States or the District of Columbia as a result of the suggestion, invention, superior accomplishment, or other meritorious personal effort."

Page 4, insert after line 10 the following subsection:

"(c) The President of the United States is authorized to pay monetary awards to, and to incur necessary expenses for the honorary recognition of, civilian officers and employees of the Government who by their suggestions, inventions, superior accomplishments, or other personal efforts contribute to the efficiency, economy, or other improvements of Government operations, or who perform exceptionally meritorious special acts or services in the public interest in connection with or related to their official employment. Such Presidential awards may be in addition to departmental awards authorized in section 3 (a)."

Page 4, line 17, subsection (d) is redesignated as subsection (e).

The committee amendments were agreed to.

Mr. MURRAY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURRAY: On page 1, line 9, after the words "United States", insert a comma and the following: "but not including the Tennessee Valley Authority."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TITLE TO CERTAIN SCHOOL LANDS SHALL VEST IN THE STATES

The Clerk called the bill (H. R. 7110) to provide that title to certain school lands shall vest in the States under the act of January 25, 1927, notwithstanding any Federal leases which may be outstanding on such lands at the time they are surveyed.

Mr. HAGEN of California. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

OFFICE EXPENSES OF FULL-TIME UNITED STATES COMMISSIONERS

The Clerk called the bill (H. R. 5801) to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DAVIS of Georgia. Mr. Speaker, reserving the right to object, it is my purpose to object to this bill. If there is any Member here who is interested in it, I would be glad to discuss it and give my reasons. I object to the bill, Mr. Speaker.

FILING CERTAIN CLAIMS UNDER THE WAR CLAIMS ACT

The Clerk called the bill (H. R. 6896) to extend the period for filing claims for compensation by World War II prisoners of war to August 1, 1954.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Mr. Speaker, reserving the right to object and, of course, I shall not, but I want to make some inquiries. Is the gentleman from Minnesota [Mr. O'HARA] prepared to answer a question or two?

Mr. O'HARA of Minnesota. I may be able to, Mr. Speaker.

Mr. McCORMACK. In reading this bill, might I say to my friend, my mind was directed toward the fact that this is limited to an extension until July 1, 1954. Of course, this is April 5, 1954, now. Naturally, it will take a little longer to become law, since it has to pass the other body. Does the gentle-

man think the remaining period is long enough? Does not the gentleman think it should be extended to December 31 of this year to give them an opportunity to file, because the time is rather short? The period is practically at hand now.

Mr. O'HARA of Minnesota. May I say to the gentleman from Massachusetts that the gentleman from California [Mr. HINSHAW] is the author of this bill. He is unable to be here this morning and asked me to appear. May I further say to the gentleman that I think the time provided for filing claims in the bill is too short. It was my understanding that there would be an amendment offered to the bill extending the time. I think an amendment should be offered extending the time at least to November 1 or something more reasonable to give an opportunity to file claims.

Mr. McCORMACK. The committee amendment was to cut down from August 1 to July 1. It seems to me that since it is now April 5 and then the bill having to go over to the other body and be acted upon, that this is a very short period. If the gentleman thinks that the period is long enough, I will accept the gentleman's word. On the other hand, we know that time passes very rapidly, and it may be only 2 months at the most for the veterans who have not exercised their rights, to do so. If the gentleman has no objection, I will offer an amendment striking out July 1 and making it December 31, and then if a shorter period would be satisfactory, that could be arranged in the other body, so that we will not have to put this over today for 2 weeks longer.

Mr. O'HARA of Minnesota. I would have been satisfied with November 1.

Mr. McCORMACK. Well, I will take November 1.

Mr. O'HARA of Minnesota. Very well.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to amend section 6 and 77 of the War Claims Act of 1948", approved April 9, 1952, is amended by striking out "within 1 year after the date of enactment of this act", and inserting in lieu thereof "on or before August 1, 1954."

Sec. 2. The amendment made by this act shall not be construed to extend the life of the War Claims Commission for any period of time.

Sec. 3. The amendment made by this act shall take effect as of April 9, 1953.

With the following committee amendments:

Page 1, lines 3 and 4, strike out "section 6 and 77" and insert in lieu thereof "sections 6 and 7."

The committee amendment was agreed to.

The SPEAKER. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 1, line 7, strike out "August" and insert "July."

Mr. McCORMACK. Mr. Speaker, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. McCORMACK: Page 1, line 7, strike out "July" and insert "November."

The substitute amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RESTORATION OF U. S. S. "CONSTITUTION," ETC.

The Clerk called the bill (H. R. 8247) to provide for the restoration and maintenance of the U. S. S. *Constitution* and to authorize the disposition of the U. S. S. *Constellation*, U. S. S. *Hartford*, U. S. S. *Olympia*, and U. S. S. *Oregon*, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

MARKERS IN NATIONAL CEMETERIES

The Clerk called the bill (H. R. 4690) to provide for the erection of appropriate markers in national cemeteries to honor the memory of members of the Armed Forces missing in action.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, I wonder if the chairman of the committee or some other member could tell us whether any information was obtained in the hearings on this particular measure as to whether the bodies of American boys still in North Korea will be recovered and when, if ever.

Mr. D'EWARD. Mr. Speaker, the purpose of this bill is not to move any bodies. It is to erect appropriate markers.

Mr. GROSS. I understand that perfectly, but I wondered if any information was obtained from those who testified on this bill as to when those bodies will be recovered, if ever.

Mr. D'EWARD. That was not gone into in the hearings.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior and the Secretary of the Army shall set aside, when available, suitable plots in the national cemeteries under their jurisdiction to honor the memory of members of the Armed Forces missing in action, and shall, under regulations to be jointly prescribed by them, permit the erection of appropriate markers thereon in honor of any such member or group of members.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUNDRY ADMINISTRATIVE MATTERS AFFECTING DEPARTMENT OF DEFENSE

The Clerk called the bill (H. R. 2225) to provide for sundry administrative matters affecting the Department of Defense, and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That in all cases where relief has been granted or may hereafter be granted to disbursing officers or agents of any of the departments or agencies of the Federal Government operating under accounts of advances, under the authority of any act containing no provisions for the removal of charges outstanding in the accounts of advances of such departments or agencies, and in all cases where charges have been outstanding in the accounts of advances of the aforesaid departments or agencies for two fiscal years and have been certified by the head of the department or agency concerned to the Comptroller General as uncollectible, such charges shall be removed by crediting the appropriate account of advances and debiting any appropriation made available therefor to the department or agency concerned: *Provided*, That nothing contained in this section shall in any way affect the financial liability of any disbursing officer, agent, or surety of the United States.

Sec. 2. Section 5 of the act of August 7, 1946 (60 Stat. 897, 898), is hereby amended by deleting the period after the word "loaned" and substituting a colon in place thereof, and by adding the following proviso thereto: "*Provided, however*, That claims for the return or replacement of binoculars under this section shall be filed with the Secretary of the Navy on or before December 31, 1953, and the United States shall be under no obligation to return, replace, or pay for binoculars under this section, for which no claim is so filed. After decision on claims submitted pursuant to this section, the Secretary of the Navy is authorized to dispose of any such binoculars held by the Navy in accordance with existing law."

Sec. 3. The Secretary of the Navy is authorized to sell to merchant ships, under such regulations as he may prescribe, and at such prices as he may deem reasonable, such fuel and other supplies as may be required to meet the necessities of, and as may not otherwise be locally procured by, such ships: *Provided*, That such ships, without such fuel or other supplies to be furnished under this authority, are not able to proceed to the nearest port where such fuel and other supplies can be locally procured without endangering the health and comfort of the personnel, the safety of the ship, or the safe condition of the property thereon: *Provided further*, That the funds received from such sales shall, if not otherwise provided by law, be credited to the current appropriations concerned, and the amounts so credited shall be available for expenditures for the same purposes as the appropriations credited.

Sec. 4. Under such regulations as the President may prescribe, appropriations chargeable for the transportation of baggage and household goods and effects of military personnel and civilian employees of departments or agencies of the Federal Government shall be available for the payment or reimbursement of general average contributions required in connection therewith.

Sec. 5. Section 2 of the act of August 5, 1882 (22 Stat. 296, 297), as amended, is hereby further amended by inserting in the seventh sentence thereof, after "those which cannot be finished without great and disproportionate expense," the following: "or those which have become excess to the needs of the United States Navy for the performance of its functions."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That in all cases where relief has been granted or may hereafter be granted to disbursing officers or agents of the Army, Navy, Air Force, and State Department operating under accounts

of advances, under the authority of any act of Congress containing no provisions for the removal of charges outstanding in the accounts of advances of such departments, and in all cases where charges have been outstanding in the accounts of advances of the aforesaid departments for 2 full fiscal years and have been certified by the head of the department concerned to the Comptroller General as uncollectible, such charges shall be removed by crediting the appropriate account of advances and debiting any appropriation made available therefor to the department concerned: *Provided*, That nothing contained in this section shall in any way affect the financial liability of any disbursing officer, agent, or surety of the United States.

"Sec. 2. Section 5 of the act of August 7, 1946 (60 Stat. 897, 898), is hereby amended by deleting the period after the word 'loaned' and substituting a colon in place thereof, and by adding the following proviso thereto: '*Provided, however*, That claims for the return or replacement of binoculars under this section shall be filed with the Secretary of the Navy on or before December 31, 1954, and the United States shall be under no obligation to return, replace, or pay for binoculars under this section, for which no claim is so filed. After decision on claims submitted pursuant to this section, the Secretary of the Navy is authorized to dispose of any such binoculars held by the Navy in accordance with existing law.'

"Sec. 3. The Secretary of the Navy is authorized to sell to merchant ships under such regulations as he may prescribe, and at such prices as he may deem reasonable, such fuel and other supplies as may be required to meet the necessities of such ships and as may not otherwise be locally procurable: *Provided*, That such ships, without such fuel or other emergency supplies to be furnished under this authority, are not able to proceed to the nearest port where such fuel and other supplies can be locally procured without endangering the health and comfort of the personnel, the safety of the ship, or the safe condition of the property thereon: *Provided further*, That the funds received from such sales shall, if not otherwise provided by law, be credited to the current appropriations concerned, and the amounts so credited shall be available for expenditures for the same purposes as the appropriations credited.

"Sec. 4. Under such regulations as the President may prescribe, appropriations chargeable for the transportation of baggage and household goods and effects of military personnel and civilian employees of departments or agencies of the Federal Government shall be available for the payment or reimbursement of general average contributions required in connection therewith: *Provided*, That no appropriation shall be available for the payment or reimbursement of general average contributions required in connection with and applicable to quantities of baggage and household goods and effects in excess of quantities authorized to be transported by law or regulation pursuant to law; nor shall any appropriation be so available in any case where the military person or civilian employee concerned (a) is allowed under any law or regulation pursuant to law a commutation in lieu of the actual transportation expenses or (b) has himself selected the means of shipment."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide for sundry administrative matters affecting the Federal Government, particularly the Army, Navy,

Air Force, and State Department, and for other purposes."

A motion to reconsider was laid on the table.

AMENDING FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

The Clerk called the bill (H. R. 5605) to amend the Federal Property and Administrative Services Act of 1949 to provide that transfers of real property from certain Government corporations to other Government agencies shall not operate to remove such real property from local tax rolls.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

GORGAS MEMORIAL LABORATORY

The Clerk called the bill (S. 1456) to amend the act entitled "An act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial Laboratory," approved May 7, 1928, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial Laboratory," approved May 7, 1928, as amended, is hereby amended by striking out clauses (2) and (3) of section 1 of said act and inserting in lieu thereof the following: "and (2) that the said Gorgas Memorial Institute be, and it is hereby, authorized within its discretion, henceforth to accept from any of the Latin American Governments, or from any other sources, any funds which may be offered or given for the use of the Gorgas Memorial Institute for the maintenance and operation of the Gorgas Memorial Laboratory, and wherever deemed by the said institute to be necessary or desirable."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECONVEYING PROPERTY TO CITY OF BOULDER, COLO.

The Clerk called the bill (H. R. 7380) to authorize the Secretary of Commerce to reconvey certain property which the city of Boulder, Colo., donated to the Secretary of Commerce for the establishment of a radio propagation laboratory.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any other law to the contrary notwithstanding, the Secretary of Commerce is authorized to reconvey, without compensation in such manner and on such other terms and conditions as he deems to be in the best interests of the United States, to the city of Boulder, Colo., 2 acres of land more or less, consisting of a portion of a tract of some 210 acres of land

83^D CONGRESS
2^D SESSION

H. R. 7774

IN THE SENATE OF THE UNITED STATES

APRIL 6 (legislative day, APRIL 5), 1954

Read twice and referred to the Committee on Post Office and Civil Service

AN ACT

To establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the “Federal Employees
4 Incentive Awards Act of 1954”.

5 SEC. 2. For the purposes of this Act—

6 (a) The term “department” or “Government” includes
7 (1) the executive departments, (2) the independent estab-
8 lishments and agencies in the executive branch, including
9 corporations wholly owned by the United States, but not
10 including the Tennessee Valley Authority, (3) the Library

1 of Congress, (4) the Government Printing Office, (5) the
2 General Accounting Office, and (6) the municipal gov-
3 ernment of the District of Columbia;

4 (b) The term "employees" includes all civilian officers
5 and employees in or under the departments;

6 (c) The term "Commission" means the United States
7 Civil Service Commission.

8 SEC. 3. (a) The head of each department shall pre-
9 pare an incentive-awards plan for his department in ac-
10 cordance with standards and regulations prescribed by the
11 Commission. The incentive-awards plan of each depart-
12 ment shall provide that the head of such department shall
13 grant monetary awards, or provide suitable honorary recog-
14 nition, or both, in his discretion, to or for employees of the
15 Government (or to former employees or the estates
16 of deceased employees thereof) in those instances in
17 which such persons, while employed by the Government,
18 have contributed to the efficiency, economy, or other improve-
19 ment of the operations of such department, or of any other
20 department, by their suggestions, inventions, superior accom-
21 plishments, or other meritorious personal efforts.

22 (b) The Commission shall inspect and review the op-
23 eration of the incentive-awards plans in the departments to
24 insure compliance with the provisions of this Act and with

1 the standards and regulations of the Commission. The Com-
2 mission is authorized, on its own initiative and after consul-
3 tation with the department concerned, to revise or modify
4 any department's plan to the extent the Commission deems
5 necessary.

6 (c) In order to carry out effectively the purposes of this
7 Act, the Commission shall establish under its jurisdiction an
8 incentive-awards office, appoint a director thereof, and, con-
9 sistently with the provisions of this Act, delegate to such
10 director the duty and responsibility imposed upon the Com-
11 mission under subsections (a) and (b) to the extent that
12 the Commission may deem necessary.

13 (d) The director of the incentive-awards office shall
14 be immediately responsible to, and shall report directly to,
15 the executive director of the Commission.

16 (e) The Commission shall include in its annual report to
17 the Congress a statement with respect to the operation of the
18 program of incentive-awards plans for the departments under
19 this Act, together with such recommendations as the Commis-
20 sion may deem advisable.

21 .SEC. 4. (a) Awards and expenses for honorary recog-
22 nition under section 3 of this Act may be paid from funds
23 or appropriations of the department primarily benefiting
24 or may be paid from the several funds or appropriations of

1 the various departments benefiting. The President of the
2 United States shall determine the proportionate share of each
3 respective benefiting department.

4 (b) A monetary award granted under an incentive-
5 awards plan shall not exceed \$5,000, except that an award
6 in excess of such amount but not in excess of \$25,000 may be
7 granted, with the approval of the Commission, in special cases
8 in which the head of a department certifies to the Commis-
9 sion that the suggestion, invention, superior accomplishment,
10 or other meritorious effort for which such award is proposed
11 to be made is highly exceptional and unusually outstanding.

12 (c) The President of the United States is authorized to
13 pay monetary awards to, and to incur necessary expenses for
14 the honorary recognition of, civilian officers and employees
15 of the Government who by their suggestions, inventions,
16 superior accomplishments, or other personal efforts contribute
17 to the efficiency, economy, or other improvements of Govern-
18 ment operations, or who perform exceptionally meritorious
19 special acts or services in the public interest in connection
20 with or related to their official employment. Such Presi-
21 dential awards may be in addition to departmental awards
22 authorized in section 3 (a).

23 (d) The acceptance of a monetary award shall con-
24 stitute an agreement that any benefit derived by the United
25 States or the District of Columbia as a result of the suggestion,

1 invention, superior accomplishment, or other meritorious
2 personal effort for which the award is made shall not form the
3 basis of a claim of any nature against the United States or
4 the District of Columbia by the employee or former em-
5 ployee, or his heirs, assigns, or estate.

6 (e) A monetary award or honorary recognition shall
7 be given due weight in qualifying and selecting employees
8 for promotion.

9 SEC. 5. (a) The following laws and parts of laws are
10 hereby repealed:

11 (1) Sections 702, 1002, and 1003 of the Classification
12 Act of 1949 (5 U. S. C., secs. 1122, 1152, 1153) ;

13 (2) Section 14 of the Act entitled "An Act to author-
14 ize certain administrative expenses in the Government serv-
15 ice, and for other purposes", approved August 2, 1946 (5
16 U. S. C., sec. 116a) ;

17 (3) The Act entitled "An Act authorizing payments
18 of rewards to postal employees for inventions", approved
19 December 3, 1945 (39 U. S. C., sec. 813) ;

20 (4) The Act entitled "An Act authorizing the Secretary
21 of War to pay a cash award for suggestions submitted by
22 employees of certain establishments of the Ordnance Depart-
23 ment for improvement or economy in manufacturing process
24 or plant", approved July 17, 1912 (50 U. S. C., sec. 58) ;

25 (5) The Act entitled "An Act to provide equitable com-

1 pensation for useful suggestions or inventions by personnel
2 of the Department of the Interior”, approved June 26, 1944
3 (5 U. S. C., sec. 500) ;

4 (6) Subsections (a) and (b) of section 35 of the Act
5 entitled “An Act to enact certain provisions now included
6 in the Naval Appropriation Act, 1946, and for other pur-
7 poses”, approved August 2, 1946 (5 U. S. C., sec. 416) ;
8 and

9 (7) The joint resolution entitled “Joint Resolution to
10 provide cash awards to personnel of the Maritime Commis-
11 sion and the War Shipping Administration for useful sugges-
12 tions to improve administration of their activities”, approved
13 March 13, 1944 (46 U. S. C., sec. 1111b) .

14 (b) All other laws or parts of laws inconsistent with this
15 Act are hereby repealed to the extent of such inconsistency.

16 (c) Paragraph (A) of subsection (a) of section 701
17 of the Classification Act of 1949, as amended (5 U. S. C.,
18 sec. 1121 (a)) , is amended by striking out the comma and
19 the following: “except increase made pursuant to section
20 702 or 1002”.

21 SEC. 6. The enactment of this Act shall not affect the
22 right of any employee to an award granted him under any
23 provision of law repealed by this Act.

24 SEC. 7. There are hereby authorized to be appropriated

1 such sums as may be necessary to carry out the purposes of
2 this Act.

3 SEC. 8. This Act shall take effect on the ninetieth day
4 after the date of its enactment.

Passed the House of Representatives April 5, 1954.

Attest:

LYLE O. SNADER,

Clerk.

AN ACT

To establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

APRIL 6 (legislative day, APRIL 5), 1954

Read twice and referred to the Committee on Post
Office and Civil Service

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 29, 1954
For actions of July 28, 1954
83rd-2nd, No. 143

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HIGHLIGHTS: House passed mutual security appropriation bill. House agreed to conference report on tax revision bill. Senate concurred in House amendments to water-facilities loans bill. Senate agreed to conference report on housing bill. House debated bill to increase CCC borrowing power. Senate debated mutual security authorization bill. Senate confirmed Butz nomination. Senate committee reported bill for uniform system of incentive awards. Sens. Butler and Kuchel criticized rigid price supports. Sens. Symington urged drought relief. Rep. Hope explained watershed bill.

HOUSE

1. MUTUAL SECURITY APPROPRIATION BILL, 1955. Passed, 266-128, with amendments this bill, H. R. 10051 (pp. 11757-8).
2. TAXATION. By a 315-77 vote, agreed to the conference report on H. R. 8300, to revise the internal revenue laws (pp. 11758-67, 11769). The bill includes a provision allowing farmers to deduct expenditures for soil-water conservation as expense rather than capitalization.
3. COMMODITY CREDIT CORPORATION. Began debate on H. R. 9756, increasing the borrowing power of CCC from \$8,500,000,000 to \$10,000,000,000. Rejected, 29-53, an amendment by Rep. Patman to prohibit CCC from financing outside the Treasury at an interest cost greater than $1\frac{1}{4}$ times its cost of financing with the Treasury on borrowings of comparable maturity. Rejected, by a division vote of 72 to 5, a motion by Rep. Multer to recommit the bill with instructions for the insertion of this amendment. Rep. Javits objected to this report on the ground that a quorum was not present, and the matter is to be considered further today. (pp. 11787-95).
4. EXPORT-IMPORT BANK. Passed without amendment S. 3589, to provide for independent management of the Export-Import Bank under a Board of Directors, to provide for representation of the Bank on the National Advisory Council on International

Monetary and Financial Problems, and to increase the Bank's lending authority (p. 11787). This bill will now be sent to the President.

5. RECLAMATION. Rejected, 188-196, a resolution for consideration of H. R. 236, to authorize the Fryingpan-Arkansas project, Colo. (pp. 11777-87).
6. ATOMIC ENERGY. House and Senate conferees were appointed on H. R. 9757, the atomic energy bill (pp. 11771, 11872).
7. FARM PROGRAM. Rep. Madden criticized the Administration's farm program (p. 11801).
8. TRADE AGREEMENTS. Rep. Saylor criticized GATT and administration of the trade-agreements law (pp. 11801-5).

SENATE

9. WATER-FACILITIES LOANS. Concurred in the House amendments to S. 3137, to amend the Water Facilities Act so as to extend the program to the entire country, increase the authorized amount of individual loans, permit insured loans, and authorize loans for soil-conservation purposes (p. 11886). This bill will now be sent to the President.
10. HOUSING. By a 59-21 vote, agreed to the conference report on H. R. 7839, the omnibus housing bill (pp. 11824-36, 11868-70, 11873-84). This bill will now be sent to the President. The bill includes authorization of \$100,000,000 additional for the farm housing program administered by this Department, together with additional authorizations for contributions under this program.
11. FOREIGN AID. Began debate on H. R. 9678, the mutual security authorization bill for 1955 (pp. 11814, 11818-24, 11886-7).
12. NOMINATION of Earl L. Butz, to be Assistant Secretary of Agriculture, was unanimously confirmed without debate (p. 11817).
13. INCENTIVE AWARDS. The Post Office and Civil Service Committee reported with amendments H. R. 7774, to establish a uniform system for granting incentive awards to officers and employees of the Government (S. Rept. 1993)(p. 11809).
14. MONOPOLIES. The Rules and Administration Committee reported with additional amendment S. Res. 14, authorizing a study of the antitrust laws and their administration, interpretation, and effect (S. Rept. 1989)(p. 11809).
15. DROUGHT RELIEF. Sen. Symington urged immediate drought relief for Mo., and Sen. Hennings inserted his statement on the matter (pp. 11812-3).
16. FARM PROGRAM. Sen. Knowland announced that S. 3052, the farm program bill, is to be taken up immediately after disposition of the foreign aid bill, but that debate on the farm bill will be interrupted by consideration of the tax bill and, on Sat., by a call of the calendar. He stated further: "Undoubtedly we shall continue debate on the farm bill in the early part of next week, even though that bill is to be made the unfinished business this week, for the opening of the debate on it." (p. 11814.)
Sen. Williams submitted an amendment which he intends to propose to the bill (p. 11809).
Sen. Butler criticized high, rigid price supports and inserted a Baltimore Sun article, "Excuses for Crops Nobody Wants" (p. 11810).

FEDERAL EMPLOYEES' PAY ACT OF 1954

JULY 28 (legislative day, JULY 2), 1954.—Ordered to be printed

Mr. CARLSON, from the Committee on Post Office and Civil Service, submitted the following

REPORT

[To accompany H. R. 7774]

The Committee on Post Office and Civil Service, to whom was referred the bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

SUMMARY OF THE PROVISIONS OF THE REPORTED BILL

The Senate Post Office and Civil Service Committee, in the interest of expediting pay legislation for Federal employees, unanimously voted to strike all after the enacting clause of H. R. 7774 and insert an amendment which appears in italic type in the bill as reported and provides the following:

(1) A permanent 5-percent increase in the minimum rate of each grade, through GS-17, of all employees paid under the Classification Act of 1949, with a minimum increase to each employee of \$170 a year and a maximum increase of \$440 a year. The bill also provides an increase of 5 percent with a minimum of \$170 and a maximum of \$440 per annum for legislative employees, certain judicial officers and employees, officers and employees in the Department of Medicine and Surgery in the Veterans' Administration, and employees in the Foreign Service of the State Department. In addition, the bill contains a provision increasing the maximum compensation payable to officers and employees of the Central Bank for Cooperatives, or any production credit corporations, production credit associations, or bank for cooperatives, so as to permit the granting to such employees of increases corresponding to those provided other employees by the

bill. No rate of basic compensation which is \$14,800 or more per annum shall be increased.

(2) The annual salary for the Treasurer of the United States is increased from GS-16 to GS-18.

(3) An increase in the maximum allowable per diem for Federal employees to \$12 per day from the present rate of \$9 per day.

(4) A permanent 5-percent increase for all postmasters, officers, and employees in the postal field service with a minimum of \$200 and a maximum of \$440 except in the case of fourth-class postmasters, hourly rate employees, skilled-trades employees of mail-equipment shops, job cleaners in first- and second-class post offices, and employees paid on a fee or contract basis.

(5) An increase of 5-percent (computed to the nearest half cent) with a minimum of \$200 in the rate of basic compensation of each employee paid on an hourly basis.

(6) An increase of 5 percent in each rate of basic compensation for postmasters in post offices of the fourth class.

(7) An increase in the allowable per diem for employees in the transportation service to \$9 per day from the present rate of \$6 per day.

(8) A repeal of present law which restricts the number of permanent appointments, promotions, and transfers in the Federal service.

(9) A biweekly pay period for personnel of the postal field service.

(10) Establishes a Commission on Postal Field Service Classification to conduct an investigation and study for the purposes of developing a plan for the establishment of a uniform, integrated, and equitable classification and pay system for all postmasters, officers, employees, and positions in the postal field service. The Commission is directed to report the results of its study together with recommendations to the Senate and the House of Representatives on or before March 1, 1955.

Estimated costs

Pay increases (postal field service)-----	\$101, 500, 000
Pay increases (classified and other)-----	212, 000, 000
Per diem travel allowance (Postal Transportation Service)-----	4, 500, 000
Per diem travel allowance (classified and other) (approximately) -	20, 000, 000
Total estimated cost-----	338, 000, 000

EXPLANATION OF THE BILL BY TITLES AND SECTIONS

TITLE I.—EMPLOYEES GENERALLY

Increase in basic compensation schedules

Section 101 of the bill relates to increases in rates of basic compensation for officers and employees of the United States and the District of Columbia who are subject to the Classification Act of 1949, as amended.

Subsection (a) of section 101 amends section 603 (b) and 603 (c) of the Classification Act of 1949, as amended, by setting forth new per annum basic compensation rates for the general schedule (GS) and the crafts, protective, and custodial schedule (CPC) and new

per annum full-time rates for charwomen and head charwomen who work part time. Each per annum rate of each grade of the general schedule and of the crafts, protective, and custodial schedule (except grade 18 of the general schedule) is increased by an amount equal to 5 percent of the entrance (minimum) rate of the grade computed to the nearest multiple of \$5, subject to the requirement that no such increase shall be less than \$170 or more than \$440. No change is made in the number of within-grade steps or in the amounts of within-grade increments. The new per annum rates of basic compensation of charwomen and head charwomen who work part time, as under existing law, equal the new fifth and seventh rates, respectively, of grade CPC-2.

Subsection (b) of section 101 prescribes the following rules by which the existing pay rates of employees are to be initially adjusted to the new rates prescribed by the bill:

(1) Each employee paid, immediately prior to the effective date of section 101, at a scheduled or longevity rate of his grade shall be compensated at the corresponding new rate of his grade.

(2) Each employee paid, immediately prior to such effective date, at a rate between 2 scheduled or 2 longevity rates, or between a scheduled rate and a longevity rate, shall be compensated at the higher of the 2 corresponding new rates.

(3) Each employee whose position is in grade 10 or below of the general schedule or in a grade of the crafts, protective, and custodial schedule who, immediately prior to the effective date of section 101, was paid at a rate in excess of the maximum longevity rate of his grade as increased by this section, will continue to receive such rate without change until he leaves the position or becomes entitled to a higher compensation rate under the Classification Act of 1949, as amended. The basic compensation of any subsequent appointee to the position will be fixed in accordance with such act, as amended.

(4) Each employee whose position is in grade 11, 12, 13, 14, or 15 of the general schedule and who, immediately prior to the effective date of section 101, was paid at a rate in excess of the maximum scheduled rate of his grade as increased by section 101, will continue to receive such rate without change until he leaves the position or becomes entitled to a higher rate of compensation under the Classification Act of 1949, as amended. The basic compensation of any subsequent appointee to the position will be fixed in accordance with such act, as amended.

Section 102 relates to increases in compensation for officers and employees in or under the judicial branch.

Subsection (a) increases by 5 percent, but not less than \$170 per annum or more than \$440 per annum, the compensation of the following groups of officers and employees in or under the judicial branch:

(1) Clerical, stenographic, and other assistants of referees in bankruptcy;

(2) Probation officers and clerical service;

(3) Assistant Director of the Administrative Office of the United States Courts;

(4) Clerks of courts, deputies, librarians, criers, messengers, law clerks, secretaries, stenographers, clerical assistants, and

other employees of the courts whose compensation is not otherwise fixed by law;

(5) The Marshal of the Supreme Court, and necessary assistants and other employees to attend the Court, and necessary custodial employees;

(6) The Reporter of the Supreme Court and necessary professional and clerical assistants and other employees;

(7) The librarian of the Supreme Court and necessary assistants;

(8) Law clerks and secretaries of the Chief Justice of the United States and the Associate Justices of the Supreme Court.

Subsection (b) of this section relates to the compensation of secretaries and law clerks of circuit and district judges. The salaries of employees in these positions are by law fixed without regard to the Classification Act of 1949, as amended, except that such salaries are required to conform to certain specified grades of that act. However, the Judiciary Appropriation Act, 1955 (Public Law 470, 83d Cong.), limits the aggregate amount payable for such purpose by a judge of a district or circuit court to \$10,560 and by the chief judge of each circuit and the chief judge of each district court to \$14,355. This subsection increases the limitation by the amount necessary to pay the additional compensation provided by the section.

Section 103 relates to the compensation of officers and employees in or under the legislative branch.

Subsection (a) provides a pay increase of 5 percent, but not at a rate less than \$170 per annum or more than \$440 per annum, for each officer and employee in or under the legislative branch (other than an employee in the office of a Senator).

Subsection (b) increases by \$440 the statutory ceiling on the rate of salary payable to officers and employees covered by the section.

Subsection (c) (1) authorizes an increase in the aggregate amounts of basic compensation which may be paid for administrative and clerical assistance and messenger service in the offices of Senators. Paragraph (2) authorizes other increases compatible with provisions of the section.

Subsection (d) increases by 5 percent, but not less than \$170 or more than \$440 per annum, the rates of basic compensation of the elected officers of the Senate and House of Representatives (not including the presiding officers of the two Houses), the Parliamentarian of the Senate, the Parliamentarian of the House of Representatives, the Legislative Counsel of the Senate, the Legislative Counsel of the House of Representatives, and the Coordinator of Information of the House of Representatives.

Subsection (e), paragraph (1) provides that the increase afforded by the section shall not apply to employees whose compensation is paid from the appropriation contained in the paragraph designated "Folding documents" under the heading "Contingent expenses of the Senate" in the Legislative Branch Appropriation Act. Paragraph (2) increases by 5 percent the limitations in the paragraph designated "Folding documents" under the heading "Contingent expenses of the House" in the Legislative Appropriation Act, 1955.

Subsection (f) will in effect provide pay increases under subsection (a) for official reporters of the proceedings and debates of the Senate and their employees.

Subsection (g) assures that the additional compensation provided by subsection (a) and the provisions of law referred to in such subsection shall be considered a part of basic compensation for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended.

Section 104 amends section 66 of the Farm Credit Act of 1933 by increasing by \$440 (from \$13,800 to \$14,240 per annum) the highest salary which may be paid to any director, officer, or employee of the Central Bank for Cooperatives, or of any production credit corporation, production credit association, or bank for cooperatives.

Section 105 (a) increases by 5 percent, but not less than \$170 or more than \$440 per annum, the compensation of physicians, dentists, nurses, and certain other employees in the Department of Medicine and Surgery, Veterans' Administration, whose rates of basic compensation are provided by Public Law 293, 79th Congress, as amended.

Subsection (b) increases from \$12,800 to \$13,240 the maximum compensation which may be paid to any person rated as a medical, surgical, or dental specialist in the Department of Medicine and Surgery, Veterans' Administration.

Section 106 increases by 5 percent, but not less than \$170 or more than \$440 per annum, the rates of basic compensation of Foreign Service officers and Foreign Service staff officers and employees provided by sections 412 and 415 of the Foreign Service Act of 1946, as amended.

Section 107 provides that the rate of basic compensation of the Treasurer of the United States shall be at the highest scheduled rate established by the Classification Act of 1949, as amended. The provision removes this position from the purview of the Classification Act and increases the basic compensation. Under the general schedule of the Classification Act, as now in effect, and as proposed to be amended by this bill, the highest scheduled rate is \$14,800 per annum.

Section 108 provides that, notwithstanding any other provision of this title, no rate of basic compensation which is \$14,800 or more per annum shall be increased, and no rate of compensation shall be increased by this title to an amount in excess of \$14,800 per annum.

Section 109 amends section 3 of the Travel Expense Act of 1949 by increasing from \$9 to \$12 the per diem allowance in lieu of subsistence to civilian officers and employees of the departments and establishments, while traveling on official business and away from their designated posts of duty.

Section 110 provides that this title shall take effect on the first day of the first pay period which begins after the date of its enactment.

TITLE II.—POSTAL EMPLOYEES

Section 201 expresses the policy of the Congress that the establishment by act of Congress of a new general system for the classification of positions and the determination of rates of basic salary of postmasters, officers, and employees in the postal field service is both necessary and desirable. Further, the enactment by the Congress of legislation to establish such a general classification and salary system for the postal field service should be accomplished by a thorough investigation and study of all problems relating thereto. Such study should be conducted, with the cooperation and assistance of the Post

Office Department, by and through a Commission created by the bill for such purpose.

Section 202 relates to increases in rates of basic compensation for personnel in the postal field service.

Subsections (a) and (b) of such section provide for the following increases in the rates of basic compensation (excluding longevity salary increases) prescribed for postmasters, officers, and employees in the postal field service by the act of July 6, 1945 (Public Law 134, 79th Cong.), as amended:

(1) Except for employees referred to in paragraph (2) below and postmasters in post offices of the fourth class, an increase in each rate of basic compensation of 5 percent, except that no increase shall be less than \$200 per annum or more than \$440 per annum;

(2) An increase of 5 percent (computed to the nearest half cent) in the rate of basic compensation of each employee paid on an hourly basis, as set forth in that part of the compensation schedule of section 11A of the act of July 6, 1945 (Public Law 134, 79th Cong.), as amended, pertaining to hourly rates, which is amended by subsection (b) of section 202 of the bill; and

(3) An increase of 5 percent in the rate of basic compensation of each postmaster in a post office of the fourth class; and

(4) An increase of 5 percent in the rates of fixed compensation per annum of rural carriers, except that no such rate shall be increased by more than \$440 or less than \$200 per annum.

Subsection (c) of the second section of the bill provides that such section shall not apply to skilled-trades employees of the mail equipment shops, job cleaners in first- and second-class post offices, and employees who are paid on a fee or contract basis. This provision has appeared historically in legislation providing increases in compensation for postmasters, officers, and employees in the postal field service.

Subsection (d) of section 202 of the bill provides that the increases in rates of basic compensation provided by subsections (a) and (b) of such section for postmasters, officers, and employees in the postal field service shall not apply to the longevity salary increases of such personnel for whom longevity salary increases are provided by the act of May 3, 1950 (Public Law 500, 81st Cong.), as amended. The purpose of the policy contained in such subsection (d) is to prevent distortion of the amounts of the longevity salary increases provided by the act of May 3, 1950, and to obviate the difficulties which would be occasioned by the necessity of making frequent administrative recomputations of salaries, if such increases in rates of basic compensation were applied to such longevity salary increases. The inclusion of subsection (d) is necessary to carry out such policy because, under subsection (a) of the first section of the act of May 3, 1950, each longevity salary increase is added to and becomes part of the rate of basic compensation.

Section 203 of the bill amends section 16 (r) of the act of July 6, 1945 (Public Law 134, 79th Cong.), as amended, which relates to travel allowances for employees in the Postal Transportation Service assigned to road duty. Such section 16 (r) authorizes the Postmaster General to pay travel allowances, under such regulations as he may prescribe, in lieu of actual expenses and at fixed rates per annum, to employees in the Postal Transportation Service assigned to road duty in railway

post-office cars and highway post-office vehicles after the expiration of 10 hours from the time the initial run begins. Such section 16 (r) further provides that in no case shall any such travel allowance exceed \$6 a day. Section 203 of the bill amends such section 16 (r) by increasing this limitation on any such travel allowance from \$6 a day to \$9 a day.

Section 204 of the bill provides that any increase in rate of basic compensation received, by reason of the enactment of the bill, by any postmaster, officer, or employee in the postal field service who transfers or is transferred to a position within the purview of the Classification Act of 1949, as amended, shall not be considered as an "equivalent increase" in compensation within the meaning of section 701 of such act. Section 701 of the Classification Act of 1949 provides for within-grade step increases in compensation for employees at the expiration of certain stipulated periods on condition that "no equivalent increase in compensation from any cause was received during such period." Such section 701 was amended by subsection (e) of the first section of the act of October 24, 1951 (Public Law 201, 82d Cong.), by adding at the end thereof the following subsection:

(b) Any increase in compensation granted by law after June 30, 1951, shall not be construed to be an equivalent increase in compensation within the meaning of subsection (a).

It was intended that this language would safeguard on a permanent basis the right of employees subject to the Classification Act of 1949, as amended (including employees who transfer or are transferred to positions under such act after June 30, 1951), to within-grade step increases in compensation without regard to any increase in compensation which they may have been granted by law. Section 15 (b) of the act of October 24, 1951 (Public Law 204, 82d Cong.), which was under consideration by the Congress at the same time as Public Law 201, contained a provision that any increase in rate of basic compensation by reason of the enactment of Public Law 204 shall not be considered as an "equivalent increase" in compensation within the meaning of section 701 of the Classification Act of 1949, in the case of postal service employees who transfer or are transferred to positions coming within the purview of the Classification Act of 1949.

Section 15 (b) was included in Public Law 204 for the protection (in case the above-quoted sec. 701 (b) as contained in subsec. (e) of the first section of Public Law 201 should not become law) of postmasters, officers, and employees in the postal field service who later transferred or were transferred to positions within the purview of the Classification Act of 1949. It was not intended that section 15 (b) of Public Law 204 would in any manner limit or circumscribe the application of the general language of section 701 (b) as added to the Classification Act of 1949 by subsection (e) of the first section of Public Law 201, in the event that such section 701 (b) should become law.

The purpose of the inclusion in section 5 of the bill of language similar to section 15 (b) of Public Law 204, is twofold: First, through the language of such section 5, to insure the protection of postmasters, officers, and employees in the postal field service from loss (on account of the salary and longevity increases provided by this bill) with respect to their within-grade step increases under section 701 of the Classification Act of 1949, in the event that they later transfer or are transferred

to positions under such act; and, second, through the discussion in this report of the legislative history of subsection (b) of such section 701, to clarify the original objects and purposes of such subsection (b) so that hereafter it will be clear that such section 701 (b) renders it unnecessary to include, in legislation granting direct increases in the compensation of employees in the postal field service or elsewhere, a provision to the effect that such increases are not to be construed to be "equivalent increases" within the meaning of such section 701, because the right of employees subject to the Classification Act of 1949 (including employees who transfer or are transferred to positions under such act) to their within-grade step increases in compensation will be protected on a permanent basis by such section 701 (b).

Section 205 of the bill provides a method of granting to postal employees of the Canal Zone Government the same increases in rates of basic compensation (including the additional longevity benefits) which are granted by the bill for similar employees in the field service of the Post Office Department of the United States. Section 81 of title 2 of the Canal Zone Code provides, in part, that employees of the Canal Zone Government shall receive such compensation as shall be fixed by the President or by his authority—which authority has been delegated by the President to the Governor of the Canal Zone. Section 205 of the bill provides that, in the exercise of the authority granted by such section 81, the Governor of the Canal Zone is authorized to grant to postal employees of the Canal Zone Government additional compensation (including the above-mentioned additional longevity benefits) on the same basis, in the same relative amounts, and beginning on the same respective dates, as the increases in rates of basic compensation and the additional longevity benefits provided by the bill for similar employees in the field service of the Post Office Department of the United States.

Section 206 of the bill provides that the provisions of the bill shall have the same force and effect within Guam as within other possessions of the United States. Since section 25 (b) of the Organic Act of Guam, approved August 1, 1950 (Public Law 630, 81st Cong.), provides that—

* * * no law of the United States * * * shall have any force or effect within Guam unless specifically made applicable by Act of the Congress * * *

the purpose of section 206 of the bill is to overcome any inference which may be created by reason of such section 25 (b) that the provisions of the bill do not apply to Guam by making such provisions specifically applicable to Guam to the same extent as to other possessions of the United States.

Section 207 of the bill establishes, for the payment of compensation to personnel in the postal field service, a new biweekly pay period system which is similar to the biweekly pay period system now existing for the payment of compensation to the majority of officers and employees of the Federal Government under the provisions of the Federal Employees Pay Act, of 1945, as amended. Such new pay period system will establish a relationship between paid man-hours and productive man-hours.

Under the existing section 7 of the act of July 6, 1945 (Public Law 134, 79th Cong.), as amended, the per annum compensation of personnel in the postal field service represents compensation for a full

calendar year of service. Such per annum compensation is divided into 12 equal installments, one of which is the pay for each calendar month, and one-half of each such installment is payable on the 16th day of each month and one-half on the 1st day of the following month, or as soon as practicable after such dates.

Under the new pay period system established under section 207 of the bill the per annum compensation of personnel in the postal field service will represent compensation for an employment year of 364 days. The per annum compensation will be divided into 26 installments, each installment representing compensation for a pay period of 2 weeks. Personnel in the postal field service, therefore, will receive pay for 1 additional day during each year of 365 days.

Subsection (a) of section 207 of the bill amends section 7 of the act of July 6, 1945 (Public Law 134, 79th Cong.), as amended, to provide a new method of payment of compensation to postmasters, officers, and employees in the postal field service.

Such section 7, as so amended, contains the following provisions:

(1) Subsection (a) provides that compensation payable on a per annum rate basis shall be paid in 26 installments covering pay periods of 2 weeks each, and compensation payable on an hourly basis shall be paid every 2 weeks on the basis of the number of hours of work during a pay period.

(2) Subsection (b) provides that in order to compute an hourly rate for postmasters and per annum rate employees the per annum rate of each such postmaster and employee shall be divided by 2,080. This provision applies to the computation of the hourly rates of compensation, for any purpose, of all postmasters and per annum rate employees in the postal field service.

(3) Subsection (c) provides that in order to compute a daily rate for postmasters and per annum rate employees the hourly rate of each postmaster and employee shall be multiplied by the number of daily hours of work required.

(4) Subsection (d) provides that subsections (b) and (c) of section 7 shall not be applicable to rural carriers. Subsection (d) also provides that, whenever it is necessary to convert the basic annual rate of compensation of carriers in the rural-delivery service to a basic daily rate, such annual rate shall be divided by 312; and that, whenever it is necessary to convert the basic annual rate of compensation of such carriers to a biweekly rate, the daily rate shall be multiplied by 12.

(5) Subsection (e) provides that all rates of compensation shall be computed to the nearest cent, counting one-half cent and over as a whole cent.

(6) Subsection (f) provides that the gross amount of earnings of any postmaster or employee for a pay period which begins in one fiscal year and ends in another fiscal year may be charged against the appropriation or allotment current at the end of such pay period.

Subsections (b), (c), (e), and (f) of section 207 of the bill amend sections 8, 9 (b), 13 and 14 of such act of July 6, 1945, as amended, respectively, to change the date of the readjustment of salaries of personnel covered by any such section from the beginning of each fiscal year to the beginning of the first complete pay period in each fiscal year in order to conform with the new pay period system estab-

lished by section 7 of such act, as amended by subsection (a) of section 207 of the bill.

Subsections (d), (g), (h), and (i) of section 207 amend sections 11A, 14 (1), 15 (b), and 18 (f) of such act of July 6, 1945, as amended, respectively, and subsection (j) of section 207 amends the first section of the act of April 15, 1947 (Public Law 35, 80th Cong.), as amended, to change the effective date of grade promotions of personnel covered by any such section from the beginning of the quarter following the prescribed satisfactory service in each grade or pay status to the beginning of the first complete pay period following 52 weeks of satisfactory service in each grade or pay status.

Subsection (k) of section 207 provides that all laws or parts of laws inconsistent with the amendments made by section 207 are repealed.

Section 208 establishes a Commission on Postal Field Service Classification.

Paragraph (1) of subsection (a) of such section 208 establishes a Commission on Postal Field Service Classification and to be composed of nine members, as follows:

(1) The chairman and ranking minority member of the Committee on Post Office and Civil Service of the Senate;

(2) The chairman and ranking minority member of the Committee on Post Office and Civil Service of the House of Representatives;

(3) The Postmaster General of the United States;

(4) Two officers or employees of the Post Office Department to be appointed by the President; and

(5) Two representatives of postal employee organizations to be appointed by the President.

In the opinion of the committee such representatives should be chosen with a view to providing representation to the greatest possible number of postal employees who are members of such organizations.

Paragraph (2) of such subsection (a) provides that the Postmaster General shall be Chairman of the Commission. Such paragraph (2) also provides (1) that vacancies in the membership of such Commission shall not affect the power of the remaining members to execute the functions of the Commission, (2) that such vacancies shall be filled in the same manner as the original selection, (3) that five members of such Commission shall constitute a quorum for the transaction of business, and (4) that such Commission shall determine the number of members who shall constitute a quorum for each subcommittee of such Commission.

Subsection (b) of such section 208 provides that the Commission on Postal Field Service Classification, acting as a whole or by subcommittee, shall conduct or cause to be conducted a thorough investigation and study of various methods for the classification of positions and the determination of rates of basic salary in the postal field service and all matters relating thereto, including personnel and pay benefits and administration. The purpose of such investigation and study is to provide a basis for the establishment of a uniform, integrated, and equitable classification and pay system for all postmasters, officers, employees, and positions in the postal field service through the enactment by the Congress of appropriate legislation following the submission to the Congress of the recommendations of such Commission.

Subsection (c) provides that, at the request of the Commission on Postal Field Service Classification, the Postmaster General and all officers (including postmasters) and employees of the field and departmental service of the Post Office Department shall provide the Commission with such assistance and cooperation in connection with such investigation and study as the Commission deems advisable or appropriate. If the Commission so requests, the assistance so provided the Commission shall include the preparation and submission to the Commission of specific recommendations for legislation to establish for the postal field service an equitable classification and pay system which contains, among other matters, proposals which designate the specific grade in which each position shall be placed and which provide appropriate safeguards, through appeal provisions and otherwise, for the rights of the individual postmaster, officer, and employee in the postal field service. Such specific recommendations for legislation shall be prepared (if so requested by the Commission) with due regard for the legislative forms and procedures of the Congress—that is, if so requested, such recommendations shall be presented in the form of a draft of proposed legislation suitable for introduction as a bill in the Senate and House of Representatives and accompanied by an appropriate written analysis, in summary and in detail, of the proposals and provisions contained in such draft of proposed legislation.

Subsection (c) further provides that the Chairman of the Post Office and Civil Service Committee of the Senate and the Chairman of the Post Office and Civil Service Committee of the House of Representatives may assign members of the staffs of their respective committees to duties and responsibilities in connection with the operation of the Commission.

Subsection (d) provides that the Commission shall report to the Senate and the House of Representatives, on or before March 1, 1955, the results of its study and investigation, together with such recommendations (including drafts of legislation to carry out such recommendations) as it deems advisable.

Section 209 repeals section 1310, Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.), as amended (commonly referred to as the Whitten rider), which places certain restrictions on the employment, promotion, and transfer of Government employees. The Civil Service Commission should continue to employ certain safeguards to insure that personnel operations of the Government are administered in the best interests of the service, while at the same time allowing sufficient flexibility necessary to meet the overall objectives of Congress by administratively adopting personnel procedures to changing conditions.

It is estimated that the repeal of this section 1310 of the Supplemental Appropriation Act of 1952 will result in the saving to the Government of several millions of dollars.

Section 210 establishes the effective dates of the several sections of this title.

Agency reports are not available on the provisions of this bill as reported.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill (joint resolution) as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italics*, existing law in which no change is proposed is shown in roman):

CLASSIFICATION ACT OF 1949, AS AMENDED

* * * * *
SEC. 603. (a) * * * * *
* * * * *

[(b) The compensation schedule for the General Schedule shall be as follows:

Grade	Per annum rates							
GS-1-----	\$2,500	\$2,580	\$2,660	\$2,740	\$2,820	\$2,900	\$2,980	
GS-2-----	2,750	2,830	2,910	2,990	3,070	3,150	3,230	
GS-3-----	2,950	3,030	3,110	3,190	3,270	3,350	3,430	
GS-4-----	3,175	3,255	3,335	3,415	3,495	3,575	3,655	
GS-5-----	3,410	3,535	3,660	3,785	3,910	4,035	4,160	
GS-6-----	3,795	3,920	4,045	4,170	4,295	4,420	4,545	
GS-7-----	4,205	4,330	4,455	4,580	4,705	4,830	4,955	
GS-8-----	4,620	4,745	4,870	4,995	5,120	5,245	5,370	
GS-9-----	5,060	5,185	5,310	5,435	5,560	5,685	5,810	
GS-10-----	5,500	5,625	5,750	5,875	6,000	6,125	6,250	
GS-11-----	5,940	6,140	6,340	6,540	6,740	6,940		
GS-12-----	7,040	7,240	7,440	7,640	7,840	8,040		
GS-13-----	8,360	8,560	8,760	8,960	9,160	9,360		
GS-14-----	9,600	9,800	10,000	10,200	10,400	10,600		
GS-15-----	10,800	11,050	11,300	11,550	11,800			
GS-16-----	12,000	12,200	12,400	12,600	12,800			
GS-17-----	13,000	13,200	13,400	13,600	13,800			
GS-18-----	14,800							

(b) The compensation schedule for the General Schedule shall be as follows:

Grade	Per annum rates							
1-----	\$2,670	\$2,750	\$2,830	\$2,910	\$2,990	\$3,070	\$3,150	
2-----	2,920	3,000	3,080	3,160	3,240	3,320	3,400	
3-----	3,120	3,200	3,280	3,360	3,440	3,520	3,600	
4-----	3,345	3,425	3,505	3,585	3,665	3,745	3,825	
5-----	3,580	3,705	3,830	3,955	4,080	4,205	4,330	
6-----	3,985	4,110	4,235	4,360	4,485	4,610	4,735	
7-----	4,415	4,540	4,665	4,790	4,915	5,040	5,165	
8-----	4,850	4,975	5,100	5,225	5,350	5,475	5,600	
9-----	5,315	5,440	5,565	5,690	5,815	5,940	6,065	
10-----	5,775	5,900	6,025	6,150	6,275	6,400	6,525	
11-----	6,235	6,435	6,635	6,835	7,035	7,235		
12-----	7,390	7,590	7,790	7,990	8,190	8,390		
13-----	8,780	8,980	9,180	9,380	9,580	9,780		
14-----	10,040	10,240	10,440	10,640	10,840	11,040		
15-----	11,240	11,490	11,740	11,990	12,240			
16-----	12,440	12,640	12,840	13,040	13,240			
17-----	13,440	13,640	13,840	14,040	14,240			
18-----	14,800							

[(c) (1) The compensation schedule for the Crafts, Protective, and Custodial Schedule shall be as follows:

Grade	Per annum rates							
CPC-1-----	\$1,810	\$1,870	\$1,930	\$1,990	\$2,050	\$2,110	\$2,170	
CPC-2-----	2,420	2,490	2,560	2,630	2,700	2,770	2,840	
CPC-3-----	2,552	2,632	2,712	2,792	2,872	2,952	3,032	
CPC-4-----	2,750	2,830	2,910	2,990	3,070	3,150	3,230	
CPC-5-----	2,974	3,054	3,134	3,214	3,294	3,374	3,454	
CPC-6-----	3,200	3,280	3,360	3,440	3,520	3,600	3,680	
CPC-7-----	3,435	3,535	3,635	3,735	3,835	3,935	4,035	
CPC-8-----	3,740	3,865	3,990	4,115	4,240	4,365	4,490	
CPC-9-----	4,150	4,275	4,400	4,525	4,650	4,775	4,900	
CPC-10-----	4,565	4,690	4,815	4,940	5,065	5,190	5,315	

[(2) Charwomen working part time shall be paid at the rate of \$2,700 per annum, and head charwomen working part time at the rate of \$2,840 per annum.]

(c) (1) *The compensation schedule for the Crafts, Protective, and Custodial Schedule shall be as follows:*

Grade	Per annum rates							
1-----	\$1,280	\$2,040	\$2,100	\$2,160	\$2,220	\$2,280	\$2,340	
2-----	2,590	2,660	2,730	2,800	2,870	2,940	3,010	
3-----	2,722	2,802	2,882	2,962	3,042	3,122	3,202	
4-----	2,920	3,000	3,080	3,160	3,240	3,320	3,400	
5-----	3,144	3,224	3,304	3,384	3,464	3,544	3,624	
6-----	3,370	3,450	3,530	3,610	3,690	3,770	3,850	
7-----	3,605	3,705	3,805	3,905	4,005	4,105	4,205	
8-----	3,925	4,050	4,175	4,300	4,425	4,550	4,675	
9-----	4,360	4,485	4,610	4,735	4,860	4,985	5,110	
10-----	4,795	4,920	5,045	5,170	5,295	5,420	5,545	

(2) *Charwomen working part time shall be paid at the rate of \$2,870 per annum, and head charwomen working part time at the rate of \$3,010 per annum.*

SECTION 2 (b) OF THE ACT OF OCTOBER 24, 1951

(b) The provisions of section 603 (b) of the Federal Employees Pay Act of 1945, as amended, section 7 (b) of the Federal Employees Pay Act of 1946, as amended, section 303 (c) of the Postal Rate Revision and Federal Employees Salary Act of 1948, and the provisions of paragraph (b) under the heading "Increased pay for legislative employees" in the Second Supplemental Appropriation Act, 1950, shall not apply to officers or employees subject to the provisions of subsection (a) or to employees in the offices of Senators, but no such officer or employee, or any other officer or employee of the Senate or House of Representatives, shall be paid with respect to any pay period basic compensation or basic compensation plus additional compensation at a rate in excess of **[\$11,646]** \$12,086 per annum unless expressly authorized by law.

SECOND PROVISIO IN PARAGRAPH IN LEGISLATIVE BRANCH APPROPRIATION ACT 1947, RELATING TO THE AUTHORITY OF SENATORS TO REARRANGE BASIC SALARIES OF EMPLOYEES IN THEIR RESPECTIVE OFFICES

Provided further, That no salary shall be fixed under this paragraph at a basic rate of more than **[\$5,820]** \$6,180 per annum, except that the salary of one employee, other than the administrative assistant, in the office of each Senator may be fixed at a basic rate of not more than **[\$7,320]** \$7,620 per annum and the salary of the administrative assistant to each Senator may be fixed at a basic rate of not more than **[\$8,400]** \$8,640 per annum.

SECTION 66 OF THE FARM CREDIT ACT OF 1933

SEC. 66. No director, officer, or employee of the Central Bank for Cooperatives, or of any production credit corporation, production credit association, or bank for cooperatives shall be paid compensation at a rate in excess of **[\$13,800]** \$14,240 per annum.

SECTION 8 (d) OF PUBLIC LAW 293, 79TH CONGRESS

(d) Any person, rated as a medical or surgical specialist under the provisions of this section, shall receive, in addition to his basic pay, an allowance equal to 25 percent of such pay: *Provided*, That in no event shall the pay plus the allowance authorized by this subscription exceed **[\$12,800]** \$13,240 per annum.

SECTION 3 OF THE TRAVEL EXPENSE ACT OF 1949

SEC. 3. Civilian officers and employees of the departments and establishments (except justices and judges covered by section 456 of title 28 of the United States Code), while traveling on official business and away from their designated posts of duty, shall be allowed, in lieu of their actual expenses for subsistence and all fees or tips to porters and stewards, a per diem allowance to be prescribed by the department or establishment concerned, not to exceed the rate of **[\$9]** \$12 within the limits of the continental United States and in case of travel beyond the limits of the continental United States not to exceed rates established by the Director of the Bureau of the Budget for the locality in which the travel is performed: *Provided*, That such civilian officers and employees who become incapacitated due to illness or injury, not due to their own misconduct, while traveling on official business and away from their designated posts of duty, shall be allowed such

per diem allowances, and transportation expenses to their designated posts of duty, in accordance with regulations promulgated and approved under this Act.

SEC. 4. Civilian officers or employees of departments and establishments or others rendering service to the Government shall, under regulations prescribed by the Director of the Bureau of the Budget, and whenever such mode of transportation is authorized or approved as more advantageous to the Government (except that no determination of advantage is required where payment on a mileage basis is limited to the cost of travel by common carrier, including per diem), be paid in lieu of actual expenses of transportation not to exceed 4 cents per mile for the use of privately owned motorcycles, or 7 cents per mile for the use of privately owned automobiles or airplanes, when engaged on official business within or outside their designated posts of duty or places of service. In addition to the mileage allowances provided for in this section, there may be allowed reimbursement for the actual cost of ferry fares, and bridge, road, and tunnel tolls.

SEC. 5. The departments and establishments may advance, through the proper disbursing officers, to any person entitled to per diem or mileage allowances under this Act, such sums as may be deemed advisable considering the character and probable duration of the travel to be performed. Any sums so advanced and not used for allowable travel expense shall be recoverable by set-off of salary due, retirement credit, or otherwise, from the person to whom advanced, or his estate, by deduction from any amount due from the United States, or by such other legal method of recovery as may be necessary.

ACT OF JULY 6, 1945

(Public Law 134, Seventy-ninth Congress)

[METHOD OF PAYMENT

[SEC. 7. Where the compensation of any postmaster, other officer, or employee is on an annual basis, the following rules for division of time and computation of pay for services rendered are established:

[Annual compensation shall be divided into twelve equal installments, one of which shall be the pay for each calendar month and one-half of each such installment shall be paid on the sixteenth day of the month and the first day of the following month, or as soon thereafter as practicable. For the purpose of computing such compensation and for computing time for services rendered during a fractional part of a month, in connection with annual compensation, each and every month shall be held to consist of thirty days, without regard to the actual number of days in any calendar month, thus excluding the thirty-first day of any calendar month from the computation and treating February as if it actually had thirty days. Any person entering the Postal Service during a thirty-one-day month and serving until the end thereof shall be entitled to pay for that month from the date of entry to the thirtieth day of said month, both days inclusive; and any person entering said Service during the month of February and serving until the end thereof shall be entitled to one month's pay, less as many thirtieths thereof as there were days elapsed prior to date of entry. For each day's unauthorized absence on the thirty-first day of any calendar month one day's pay shall be forfeited.]

METHOD OF PAYMENT

SEC. 7. (a) *The compensation of postmasters and per annum rate employees shall be paid in twenty-six installments. Each such installment shall be the compensation for a pay period of two weeks. The compensation of hourly rate substitute employees and other hourly rate employees shall be computed for each pay period of two weeks on the basis of the number of hours of work performed by such employees during such pay period.*

(b) *To compute an hourly rate for postmasters and per annum rate employees, the per annum rate shall be divided by 2080.*

(c) *To compute a daily rate for postmasters and per annum rate employees, the hourly rate shall be multiplied by the number of daily hours of service required.*

(d) *Subsections (b) and (c) of this section shall not apply to carriers in the rural delivery service. Whenever, for pay computation purposes, it is necessary to convert the basic annual rate of compensation of carriers in the rural delivery service to a basic daily or biweekly rate, the following rules shall govern:*

(1) *An annual rate shall be divided by 312 to derive a daily rate.*

(2) *A daily rate shall be multiplied by 12 to derive a biweekly rate.*

(e) All rates shall be computed to the nearest cent, counting one-half cent and over as a whole cent.

(f) When a pay period for any postmaster or employee begins in one fiscal year and ends in another fiscal year, the gross amount of the earnings of such postmaster or employee for such pay period may be regarded as a charge against the appropriation or allotment current at the end of such pay period.

SEC. 8. (a) The salaries of postmasters and assistant postmasters at all classes of post offices and of officers and supervisory employees at post offices of the first class shall be annual salaries, to be fixed by the Postmaster General based upon gross postal receipts as shown in the quarterly returns of the respective post offices for the calendar year immediately preceding, at the following rates: *Provided*, That subsection (c) of section 1001 of the Revenue Act of 1932 (417 Stat. 285), as amended, is hereby repealed retroactive to January 1, 1944, and thereafter the gross postal receipts shall be counted for the purpose of determining the class of the post office or the compensation or allowances of postmasters or other employees, whose compensation or allowances are based on the annual receipts of such offices: *Provided further*. That in fixing the salaries of the postmaster and supervisory employees in the post office at Washington, District of Columbia, the Postmaster General may, in his discretion, add not to exceed 75 per centum to the gross receipts of that office:

Gross receipts	Per annum rates								
	Senior assistant superintendents	Chief station examiner	Assistant superintendents	Auditor	Assistant auditor	Station examiners	General foremen	Foremen	Clerks in charge
\$80,000,000 and up.....	\$6, 270	\$5, 470	\$5, 670	\$6, 170	\$5, 470	\$5, 170	\$5, 370	\$4, 896	\$4, 570
\$40,000,000 to \$79,999,999.99.....	6, 270	5, 470	5, 670	6, 170	5, 470	5, 170	5, 331	4, 896	4, 570
\$20,000,000 to \$39,999,999.99.....	6, 202	5, 470	5, 670	5, 984	5, 470	5, 170	5, 331	4, 896	4, 570
\$10,000,000 to \$19,999,999.99.....	5, 870	5, 370	5, 658	4, 970	4, 870	4, 970	5, 114	4, 896	4, 570
\$7,000,000 to \$9,999,999.99.....	5, 766	5, 370	5, 270	4, 870	4, 770	4, 970	5, 005	4, 896	4, 570

Gross receipts	Per annum rates						
	Post-master	Assistant post-master	Superin-tendent of mails	Superin-tendent of finance	Superin-tendent of money orders	Senior assistant superin-tendent of mails	Assistant superin-tendents of mails
\$3,000,000 to \$6,999,999.99-----	\$9, 770	\$6, 270	\$6, 070	\$5, 770	\$5, 470	\$5, 670	\$5, 270
\$1,500,009 to \$2,999,999.99-----	8, 770	6, 070	5, 870	5, 470	5, 170	5, 470	5, 270
\$1,000,000 to \$1,499,999.99-----	7, 770	6, 070	5, 870	5, 470	5, 170	-----	5, 270
\$600,000 to \$999,999.99-----	7, 370	5, 970	5, 670	5, 270	5, 070	-----	5, 070
\$500,000 to \$599,999.99-----	7, 070	5, 870	5, 470	5, 170	4, 970	-----	5, 070
\$400,000 to \$499,999.99-----	6, 570	5, 770	5, 370	-----	-----	-----	5, 005
\$300,000 to \$399,999.99-----	6, 370	5, 670	5, 370	-----	-----	-----	5, 005
\$250,000 to \$299,999.99-----	6, 170	5, 570	5, 270	-----	-----	-----	5, 005
\$200,000 to \$249,999.99-----	6, 070	5, 470	5, 170	-----	-----	-----	-----
\$150,000 to \$199,999.99-----	5, 970	5, 370	5, 170	-----	-----	-----	-----
\$120,000 to \$149,999.99-----	5, 870	5, 270	5, 070	-----	-----	-----	-----
\$90,000 to \$119,999.99-----	5, 770	5, 170	5, 005	-----	-----	-----	-----
\$75,000 to \$99,999.99-----	5, 670	5, 070	4, 896	-----	-----	-----	-----
\$60,000 to \$74,999.99-----	5, 570	4, 970	4, 787	-----	-----	-----	-----
\$50,000 to \$59,999.99-----	5, 470	4, 970	4, 678	-----	-----	-----	-----
\$40,000 to \$49,999.99-----	5, 370	4, 896	4, 570	-----	-----	-----	-----

Gross receipts	Per annum rates						
	Assistant superintendents of finance	Assistant superintendents of money orders	Auditor	Station examiners	General foremen	Foremen	Clerks in charge
\$3,000,000 to \$6,999,999.99-----	\$5, 270	\$4, 970	\$4, 870	\$4, 970	\$5, 005	\$4, 787	\$4, 570
\$1,500,000 to \$2,999,999.99-----	4, 870	4, 870	4, 870	4, 870	4, 896	4, 787	4, 570
\$1,000,000 to \$1,499,999.99-----	4, 870	4, 870	4, 870	4, 870	4, 896	4, 787	4, 570
\$600,000 to \$999,999.99-----						4, 787	4, 570
\$500,000 to \$599,999.99-----						4, 787	4, 570
\$400,000 to \$499,999.99-----						4, 787	4, 570
\$300,000 to \$399,999.99-----						4, 787	4, 570
\$250,000 to \$299,999.99-----						4, 787	4, 570
\$200,000 to \$249,999.99-----						4, 787	4, 570
\$150,000 to \$199,999.99-----						4, 787	4, 570
\$120,000 to \$149,999.99-----						4, 787	4, 570
\$90,000 to \$119,999.99-----						4, 787	4, 570

POST OFFICES OF THE FIRST CLASS

Gross receipts	Per annum rates					
	Post-master	Assistant post-master	General superintendent of mails; general superintendent of finance	Assistant general superintendent of mails	Assistant general superintendent of finance	Superintendents
\$80,000,000 and up-----	\$13, 770	\$8, 470	\$7, 470	\$6, 870	\$6, 870	\$6, 470
\$40,000,000 to \$79,999,999.99-----	13, 770	8, 470	7, 470	6, 870	6, 870	6, 470
\$20,000,000 to \$39,999,999.99-----	12, 770	7, 970	7, 270	6, 870	6, 870	6, 470
\$10,000,000 to \$19,999,999.99-----	11, 770	7, 070	6, 870	6, 670	6, 670	6, 270
\$7,000,000 to \$9,999,999.99-----	10, 770	6, 870	6, 570	6, 470	6, 470	6, 170

POST OFFICES OF THE SECOND CLASS

Gross receipts	Per annum rates	
	Postmaster	Assistant postmaster
\$27,000 to \$39,999.99-----	\$5, 070	\$4, 670
\$18,000 to \$26,999.99-----	4, 870	4, 570
\$12,000 to \$17,999.99-----	4, 770	4, 461
\$8,000 to \$11,999.99-----	4, 770	4, 352

Provided, That where the gross postal receipts of a post office of the second class for each of two consecutive calendar years are less than \$8,000, or where in any calendar year the gross postal receipts are less than \$7,000, it shall be relegated to the third class.

POST OFFICES OF THE THIRD CLASS

Gross receipts	Per annum rates, postmasters
\$7,000 to \$7,999.99-----	\$4, 298
\$6,000 to \$6,999.99-----	4, 162
\$5,000 to \$5,999.99-----	4, 058
\$4,200 to \$4,999.99-----	3, 917
\$3,500 to \$4,199.99-----	3, 781
\$3,000 to \$3,499.99-----	3, 645
\$2,700 to \$2,999.99-----	3, 509
\$2,400 to \$2,699.99-----	3, 400
\$2,100 to \$2,399.99-----	3, 264
\$1,900 to \$2,099.99-----	3, 123
\$1,700 to \$1,899.99-----	3, 019
\$1,500 to \$1,699.99-----	2, 883

Provided, That where the gross postal receipts of a post office of the third class for each of two consecutive calendar years are less than \$1,500, or where in any calendar year the gross postal receipts are less than \$1,400, it shall be relegated to the fourth class.

POST OFFICES OF THE FOURTH CLASS

Gross receipts	Per annum rates, postmasters
\$1,300 to \$1,499.99.....	\$2,611.20
\$1,100 to \$1,299.99.....	2,494.80
\$1,000 to \$1,099.99.....	2,336.04
\$900 to \$999.99.....	2,177.28
\$800 to \$899.99.....	2,045.44
\$700 to \$799.99.....	1,914.88
\$600 to \$699.99.....	1,762.56
\$500 to \$599.99.....	1,588.48
\$450 to \$499.99.....	1,441.60
\$400 to \$449.99.....	1,327.36
\$350 to \$399.99.....	1,218.56
\$300 to \$349.99.....	1,111.32
\$250 to \$299.99.....	979.26
\$200 to \$249.99.....	848.64
\$150 to \$199.99.....	685.44
\$100 to \$149.99.....	522.24
Less than \$100.....	326.40

(b) The base annual compensation of an incumbent postmaster shall not be reduced in the readjustment to conform to the provisions of this Act, except for a decrease in gross postal receipts to an amount for which a lower salary grade is provided: *Provided*, That incumbent postmasters in offices having receipts of \$600,000 but less than \$1,500,000 shall not have their salary reduced unless the receipts of their respective offices drop below \$600,000 for any one calendar year.

(c) At central accounting offices where the gross postal receipts are less than \$7,000,000 the superintendent of finance, or the employee in charge of central accounting records and adjustments of the accounts, shall be allowed \$200 per annum in addition to the salary specified in subsection (a). At central accounting offices with receipts of less than \$1,000,000, the employee performing the duties of an auditor shall be allowed a salary equal to that of a foreman.

(d) *The salaries of postmasters, assistant postmasters, and supervisors paid under the provisions of this section shall be readjusted at the beginning of the first complete pay period in each fiscal year.*

SUPERVISORS IN THE UNITED STATES STAMPED ENVELOPE AGENCY; SUPERINTENDENTS AND ASSISTANT SUPERINTENDENTS OF CLASSIFIED STATIONS AND BRANCHES

SEC. 9. (a) The annual salaries of supervisors in the United States Stamped Envelope Agency shall be as follows:

Agent, \$5,770; assistant agent, \$5,270.

(b) The salary of superintendents and assistant superintendents of classified stations shall be based on the number of employees assigned thereto and the annual postal receipts. No allowance shall be made for sales of stamps to patrons residing outside of the territory of the stations. At classified stations each \$25,000 of postal receipts shall be considered equal to one additional employee: *Provided*, That in determining the number of employees at a classified station, credit shall be allowed for service performed by regular employees, substitute employees other than those serving in lieu of regular employees absent from duty for any cause, and temporary employees assigned to the station, and for each two thousand and twenty-four hours of service performed by such employees credit shall be allowed for one employee. *The salaries of superintendents and assistant superintendents of classified stations shall be readjusted at the beginning of the first complete pay period in each fiscal year.*

* * * * *

GRADES AND SALARIES OF EMPLOYEES IN THE AUTOMATIC GRADES

SEC. 11A. Employees shall be divided into grades and shall receive basic annual salaries or hourly rates of pay as shown in the following compensation schedules:

GRADES AND SALARIES OF EMPLOYEES IN THE AUTOMATIC GRADES

[illegible]

[GRADES AND SALARIES OF EMPLOYEES IN THE AUTOMATIC GRADES—Con.]

	Grades								
	1	2	3	4	5	6	7	8	9
SUBSTITUTE, TEMPORARY, AUXILIARY, AND CHAR EMPLOYEES									
Temporary carriers in rural delivery service on routes to which no regu- lar carrier is assigned:									
Fixed compensation per annum	\$1,418								
Compensation per mile per an- num:									
For each mile up to 30 miles of route	58								
For each mile of route over 30 miles	20								
Temporary carriers in rural delivery service on routes having regular carrier absent without pay	(¹)								
Substitute carriers in rural delivery services on routes having regular carriers absent with pay									
[Hourly rates									
[Clerks in post offices of the third class; carriers in village delivery service	\$1.365	\$1.415	\$1.465	\$1.515					
[Charmen and charwomen	1.425	1.475							
[Mail handlers, messengers, watch- men; operators of the pneumatic tube service; garagemen-drivers	1.565	1.615	1.665	1.715					
[Special delivery messengers in post offices of the first class	1.565	1.615	1.665	1.715	\$1.765	\$1.815	\$1.865		
[Clerks; carriers in city delivery service; driver mechanics; general mechanics; dispatchers of the pneumatic tube service	1.615	1.665	1.715	1.765	1.815	1.865	1.915	\$1.965	\$2.015
[Postal transportation clerks	1.715	1.765	1.815	1.865	1.915	1.965	2.015		
[Special mechanics	1.925								
Hourly rates									
Clerks in post offices of the 3d class; carriers in village delivery service	\$1.435	\$1.485	\$1.54	\$1.59					
Charmen and charwomen	1.495	1.55							
Mail handlers, messengers, watchmen, operators of the pneumatic tube serv- ice; garagemen-drivers	1.645	1.695	1.75	1.80					
Special delivery messengers in post offices of the 1st class	1.645	1.695	1.75	1.80	\$1.855	\$1.905	\$1.96		
Clerks; carriers in city delivery service; driver-mechanics; general mechan- ics; dispatchers of the pneumatic tube service	1.695	1.75	1.80	1.855	1.905	1.96	2.01	\$2.065	\$2.115
Postal transportation clerks	1.80	1.855	1.905	1.96	2.01	2.065	2.115		
Special mechanics	2.02								

¹ Rate authorized for the regular carrier.

and shall be promoted successively at the beginning of the [quarter following one year's] first complete pay period following fifty-two weeks of satisfactory service in each grade to the next higher grade until they reach the top automatic grade.

* * * * *

Number of em- ployees supervised	Super- intend- ent of shops	Assist- ant super- intend- ent of shops	General fore- men of me- chan- ics	Fore- men of me- chan- ics	General fore- men of la- borers	Fore- men of la- borers	Fore- men of eleva- tor op- erators	Cap- tain of guard	Lieut- enant of guard	Chief tele- phone operator	Assist- ant chief tele- phone operator
151 and up.....	\$6,770	\$5,970			\$4,770		\$4,470	\$4,570			
101 to 150.....	6,770	5,970			4,570		4,470	4,570			
61 to 100.....	6,570	5,875			4,352	\$4,134	4,352	4,570			
41 to 60.....	6,370	5,658	\$5,222		4,134	4,134	4,352	4,570			
31 to 40.....			5,222	\$4,787	4,134	4,134	4,352	4,352	\$4,134	\$4,270	\$3,917
21 to 30.....			5,222	4,787		3,917		4,352	4,134	4,270	3,917
11 to 20.....			5,222	4,787		3,917		4,134	4,134	4,270	3,917
1 to 10.....			5,222	4,787		3,699		3,917	3,917	4,270	3,917

Number of employees supervised	Foremen	Clerks in charge
151 and up.....		
101 to 150.....		
61 to 100.....	\$4,787	\$4,570
41 to 60.....	4,787	4,570
31 to 40.....	4,787	4,570
21 to 30.....	4,787	4,570
11 to 20.....	4,787	4,570
1 to 10.....	4,787	4,570

(b) The salaries of employees paid under the provisions of this section shall be readjusted at the beginning of the first complete pay period in each fiscal year.

* * * * *

(1) Temporary employees in the custodial service paid on an annual basis shall be paid at the rates of pay of grade 1 of the position in which employed and shall, at the beginning of the [quarter following the completion of one year's] first complete pay period following fifty-two weeks of satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position; and temporary employees in the custodial service paid on an hourly basis shall be paid at the rates of pay of grade 1 of the position in which employed and shall, at the beginning of the [quarter following the completion of twelve months'] first complete pay period following fifty-two weeks of satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position: * * *

POST-OFFICE INSPECTORS AND CLERKS IN THE INSPECTION SERVICE

SEC. 15. (a) The annual salaries of inspectors in charge, assistant inspectors in charge, and supervisory employees at division headquarters of the Inspection Service shall be as follows:

Title	Per annum rates
Post-office inspector in charge.....	\$8,470
Assistant post-office inspector in charge.....	7,770
Superintendent.....	5,770
Assistant superintendent.....	5,270
Chiefs of section.....	5,170

(b) Post office inspectors shall be divided into ten grades with annual salaries as follows:

Grade 1.....	\$4,970	Grade 6.....	\$5,970
Grade 2.....	5,170	Grade 7.....	6,370
Grade 3.....	5,370	Grade 8.....	6,770
Grade 4.....	5,570	Grade 9.....	7,270
Grade 5.....	5,770	Grade 10.....	7,770

and shall be promoted successively at the beginning of the [quarter following one year's] first complete pay period following fifty-two weeks of satisfactory service in each grade until they reach grade 8: Provided, That promotion of not more than

25 per centum of the authorized quota of inspectors may be made to grades 9 and 10. The Postmaster General shall assign difficult or complex work to be performed by inspectors in grades 9 and 10 and shall select the inspectors to be assigned to these grades under such rules and regulations as he shall prescribe: *Provided further*, That inspectors will not be selected for promotion to grades 9 and 10 until they have completed at least one year's faithful and meritorious service in the next lower grade.

* * * * *

RAILWAY MAIL SERVICE AND AIR MAIL SERVICE

SEC. 16. (a) * * *

* * * * *

(r) In addition to the salaries provided by this Act, the Postmaster General may make travel allowances in lieu of actual expenses, at fixed rates per annum, not exceeding in the aggregate the sum annually appropriated, to railway postal clerks, and substitute railway postal clerks, assigned to road duty in railway post-office cars, and highway post-office vehicles after ten hours from the time of beginning their initial run, under such regulations as he may prescribe, and in no case shall such allowance exceed **[\$6] \$9** per day.

* * * * *

MAIL EQUIPMENT SHOPS

SEC. 18. (a) * * *

* * * * *

(f) Each temporary employee in the mail equipment shops paid on an annual basis shall be paid at the rate of pay of the lowest grade provided for a regular employee in the same type of position in which such temporary employee is employed, and shall, at the beginning of the **[quarter following the completion of one year's] first complete pay period following fifty-two weeks of satisfactory service** in each pay status, be advanced successively to the rates of pay of the next higher grade of such position: * * *

FIRST SECTION OF PUBLIC LAW 35—80TH CONGRESS

AN ACT To provide for the promotion of substitute employees in the postal service, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all substitute employees in the postal service shall be promoted successively at the beginning of the **[quarter following one year's] first complete pay period following fifty-two weeks of satisfactory service** in each grade until they reach the maximum grade authorized for the respective assignment, without regard to the number of hours they are actually employed in the postal service during the year.

SECTION 1310 OF THE SUPPLEMENTAL APPROPRIATION ACT, 1952 (PUBLIC LAW 253, 82D CONG.)

[SEC. 1310. Immediately upon the enactment of this Act and until termination of the national emergency proclaimed by the President on December 16, 1950:

[(a) The Civil Service Commission and the heads of the executive departments, agencies, and corporations shall make full use of their authority to require that initial appointments to positions in and outside the competitive civil service shall be made on a temporary or indefinite basis in order to prevent increases in the number of permanent personnel of the Federal Government above the total number of permanent employees existing on September 1, 1950: *Provided*, That any position vacated by a permanent employee called to military service or transferred to a national defense agency shall not be filled except on a temporary or indefinite basis. All reinstatements and promotions in the Federal civil service shall be made on a temporary or indefinite basis, and all permanent employees who are transferred from one agency to another shall retain their status as permanent employees in the agency to which transferred at the grade or basic pay level of their permanent positions in the agency from which transferred. All appointments, reinstatements, transfers, and promotions to positions subject to the Classification Act of 1949 shall be made with the condition and notice to each individual appointed, reinstated, transferred, or promoted that the classification grade of the position is subject to post-audit and correction by the appropriate departmental or agency personnel office or the Civil Service Commission. All transfers of permanent employees made on a temporary or indefinite basis since September 1,

1950, shall be changed to a permanent basis as of the effective date of this Act: *Provided*, That such employees shall retain their status as permanent employees in the agency to which transferred at the grade or basic pay level of their permanent positions in the agency from which transferred.

[(b) The Civil Service Commission shall facilitate the transfer of Federal employees from nondefense to defense activities and encourage the retention of employees in defense activities, and shall provide reemployment rights for permanent employees in the activities from which such employees are transferred.

[(c) The Civil Service Commission shall make full use of its authority to prevent excessively rapid promotions in the competitive civil service and to provide correction of improper allocations to higher grades of positions subject to the Classification Act of 1949, as amended. No person in any executive department or agency whose position is subject to the Classification Act of 1949, as amended, shall be promoted or transferred to a higher grade subject to such Act without having served at least one year in the next lower grade: *Provided*, That the Civil Service Commission for positions in the competitive service and the head of the employing agency for positions outside the competitive service may by regulation provide for promotions of two grades in one year (1) to positions not higher than GS-5; (2) to positions not higher than GS-11 which are in a line of work properly classified under the Classification Act of 1949 at two-grade intervals; (3) to positions in the same line of work when the employee has completed a training period under a training program approved by the Civil Service Commission for positions in the competitive service, or approved by the head of the employing agency for positions outside the competitive service; and (4) of an employee of the agency concerned when there is no position in the normal line of promotion in the grade immediately below that of the position to be filled: *Provided further*, That this subsection shall not apply to any case involving an employee who is within reach for appointment to a higher grade position on a competitive civil service register, or being advanced up to a grade level from which he had been demoted or separated because of reduction in force.

[(d) From time to time, but at least annually, each executive department and agency shall (1) review all positions which since September 1, 1950, have been created or placed in a higher grade or level of difficulty and responsibility of work or in a higher basic pay level, (2) abolish all such positions which are found to be unnecessary, (3) with respect to such positions which are found to be necessary, make such adjustments as may be appropriate in the classification grades of those positions which are subject to the Classification Act of 1949, as amended, or in the basic pay levels of those positions which are subject to other pay-fixing authority. Not later than July 31 of each year each department and agency shall submit a report to the Post Office and Civil Service Committees and Appropriations Committees of the Senate and House of Representatives concerning the action taken under this paragraph, together with information comparing the total number of employees on the payroll on June 30 and their average grade and salary with similar information for the previous June 30, and each annual supplemental budget estimate shall include a statement comparing the average grade and salary provided for in each item of appropriation or fund allowance therein with similar figures reported for the two previous periods.]



Calendar No. 2010

83^D CONGRESS
2^D SESSION

H. R. 7774

[Report No. 1993]

IN THE SENATE OF THE UNITED STATES

APRIL 6 (legislative day, APRIL 5), 1954

Read twice and referred to the Committee on Post Office and Civil Service

JULY 28 (legislative day, JULY 2), 1954

Reported by Mr. CARLSON, with amendments

[Strike out all after the enacting clause and insert the part printed in italic]

AN ACT

To establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the “Federal Employees
4 Incentive Awards Act of 1954”.

5 SEC. 2. For the purposes of this Act—

6 (a) The term “department” or “Government” includes
7 (1) the executive departments, (2) the independent estab-

1 lishments and agencies in the executive branch, including
2 corporations wholly owned by the United States; but not
3 including the Tennessee Valley Authority; ~~(3)~~ the Library
4 of Congress; ~~(4)~~ the Government Printing Office; ~~(5)~~ the
5 General Accounting Office; and ~~(6)~~ the municipal gov-
6 ernment of the District of Columbia;

7 ~~(b)~~ The term "employees" includes all civilian officers
8 and employees in or under the departments;

9 ~~(c)~~ The term "Commission" means the United States
10 Civil Service Commission.

11 SEC. 3. ~~(a)~~ The head of each department shall pre-
12 pare an incentive-awards plan for his department in ac-
13 cordance with standards and regulations prescribed by the
14 Commission. The incentive-awards plan of each depart-
15 ment shall provide that the head of such department shall
16 grant monetary awards, or provide suitable honorary recog-
17 nition, or both, in his discretion, to or for employees of the
18 Government ~~(or to former employees or the estates~~
19 ~~of deceased employees thereof)~~ in those instances in which
20 such persons, while employed by the Government, have
21 contributed to the efficiency, economy, or other improve-
22 ment of the operations of such department, or of any other
23 department, by their suggestions, inventions, superior accom-
24 plishments, or other meritorious personal efforts.

25 ~~(b)~~ The Commission shall inspect and review the op-

1 eration of the incentive-awards plans in the departments to
2 insure compliance with the provisions of this Act and with
3 the standards and regulations of the Commission. The Com-
4 mission is authorized, on its own initiative and after consul-
5 tation with the department concerned, to revise or modify
6 any department's plan to the extent the Commission deems
7 necessary.

8 ~~(c)~~ In order to carry out effectively the purposes of this
9 Act, the Commission shall establish under its jurisdiction an
10 incentive awards office, appoint a director thereof, and, con-
11 sistently with the provisions of this Act, delegate to such
12 director the duty and responsibility imposed upon the Com-
13 mission under subsections ~~(a)~~ and ~~(b)~~ to the extent that
14 the Commission may deem necessary.

15 ~~(d)~~ The director of the incentive-awards office shall
16 be immediately responsible to, and shall report directly to,
17 the executive director of the Commission.

18 ~~(e)~~ The Commission shall include in its annual report to
19 the Congress a statement with respect to the operation of the
20 program of incentive-awards plans for the departments under
21 this Act, together with such recommendations as the Commis-
22 sion may deem advisable.

23 SEC. 4. ~~(a)~~ Awards and expenses for honorary recog-
24 nition under section 3 of this Act may be paid from funds
25 or appropriations of the department primarily benefiting

1 or may be paid from the several funds or appropriations of
2 the various departments benefiting. The President of the
3 United States shall determine the proportionate share of each
4 respective benefiting department.

5 ~~(b)~~ A monetary award granted under an incentive-
6 awards plan shall not exceed \$5,000, except that an award
7 in excess of such amount but not in excess of \$25,000 may be
8 granted, with the approval of the Commission, in special cases
9 in which the head of a department certifies to the Commis-
10 sion that the suggestion, invention, superior accomplishment,
11 or other meritorious effort for which such award is proposed
12 to be made is highly exceptional and unusually outstanding.

13 ~~(c)~~ The President of the United States is authorized to
14 pay monetary awards to, and to incur necessary expenses for
15 the honorary recognition of, civilian officers and employees
16 of the Government who by their suggestions, inventions,
17 superior accomplishments, or other personal efforts contribute
18 to the efficiency, economy, or other improvements of Govern-
19 ment operations, or who perform exceptionally meritorious
20 special acts or services in the public interest in connection
21 with or related to their official employment. Such Presi-
22 dential awards may be in addition to departmental awards
23 authorized in section 3 ~~(a)~~.

1 ~~(d)~~ The acceptance of a monetary award shall con-
2 stitute an agreement that any benefit derived by the United
3 States or the District of Columbia as a result of the suggestion,
4 invention, superior accomplishment, or other meritorious
5 personal effort for which the award is made shall not form
6 the basis of a claim of any nature against the United States
7 or the District of Columbia by the employee or former em-
8 ployee, or his heirs, assigns, or estate.

9 ~~(e)~~ A monetary award or honorary recognition shall
10 be given due weight in qualifying and selecting employees
11 for promotion.

12 SEC 5. ~~(a)~~ The following laws and parts of laws are
13 hereby repealed:

14 ~~(1)~~ Sections 702, 1002, and 1003 of the Classification
15 Act of 1949 (5 U. S. C., secs. 1122, 1152, 1153);

16 ~~(2)~~ Section 14 of the Act entitled "An Act to author-
17 ize certain administrative expenses in the Government serv-
18 ice, and for other purposes", approved August 2, 1946 (5
19 U. S. C., sec. 116a);

20 ~~(3)~~ The Act entitled "An Act authorizing payments
21 of rewards to postal employees for inventions", approved
22 December 3, 1945 (39 U. S. C., sec. 813);

23 ~~(4)~~ The Act entitled "An Act authorizing the Secretary

1 of War to pay a cash award for suggestions submitted by
2 employees of certain establishments of the Ordnance Depart-
3 ment for improvement or economy in manufacturing process
4 or plant", approved July 17, 1912 (50 U. S. C., sec. 58);

5 ~~(5)~~ The Act entitled "An Act to provide equitable com-
6 pensation for useful suggestions or inventions by personnel
7 of the Department of the Interior", approved June 26, 1944
8 (5 U. S. C., sec. 500);

9 ~~(6)~~ Subsections ~~(a)~~ and ~~(b)~~ of section 35 of the Act
10 entitled "An Act to enact certain provisions now included
11 in the Naval Appropriation Act, 1946, and for other pur-
12 poses", approved August 2, 1946 (5 U. S. C., sec. 416);
13 and

14 ~~(7)~~ The joint resolution entitled "Joint Resolution to
15 provide cash awards to personnel of the Maritime Commis-
16 sion and the War Shipping Administration for useful sugges-
17 tions to improve administration of their activities", approved
18 March 13, 1944 (46 U. S. C., sec. 1111b).

19 ~~(b)~~ All other laws or parts of laws inconsistent with this
20 Act are hereby repealed to the extent of such inconsistency.

21 ~~(c)~~ Paragraph ~~(A)~~ of subsection ~~(a)~~ of section 701
22 of the Classification Act of 1949, as amended (5 U. S. C.,
23 sec. 1121 ~~(a)~~), is amended by striking out the comma and
24 the following: "except increase made pursuant to section
25 702 or 1002".

1 SEC. 6. The enactment of this Act shall not affect the
 2 right of any employee to an award granted him under any
 3 provision of law repealed by this Act.

4 SEC. 7. There are hereby authorized to be appropriated
 5 such sums as may be necessary to carry out the purposes of
 6 this Act.

7 SEC. 8. This Act shall take effect on the ninetieth
 8 day after the date of its enactment.

9 *TITLE I—EMPLOYEES GENERALLY*

10 SEC. 101. (a) Section 603 (b) and section 603 (c) of
 11 the Classification Act of 1949, as amended, are amended to
 12 read as follows:

13 “(b) The compensation schedule for the General Sched-
 14 ule shall be as follows:

“Grade	Per annum rates						
1----	\$2,670	\$2,750	\$2,830	\$2,910	\$2,990	\$3,070	\$3,150
2----	2,920	3,000	3,080	3,160	3,240	3,320	3,400
3----	3,120	3,200	3,280	3,360	3,440	3,520	3,600
4----	3,345	3,425	3,505	3,585	3,665	3,745	3,825
5----	3,580	3,705	3,830	3,955	4,080	4,205	4,330
6----	3,985	4,110	4,235	4,360	4,485	4,610	4,735
7----	4,415	4,540	4,665	4,790	4,915	5,040	5,165
8----	4,850	4,975	5,100	5,225	5,350	5,475	5,600
9----	5,315	5,440	5,565	5,690	5,815	5,940	6,065
10----	5,775	5,900	6,025	6,150	6,275	6,400	6,525
11----	6,235	6,435	6,635	6,835	7,035	7,235	
12----	7,390	7,590	7,790	7,990	8,190	8,390	
13----	8,780	8,980	9,180	9,380	9,580	9,780	
14----	10,040	10,240	10,440	10,640	10,840	11,040	
15----	11,240	11,490	11,740	11,990	12,240		
16----	12,440	12,640	12,840	13,040	13,240		
17----	13,440	13,640	13,840	14,040	14,240		
18----	14,800						

- 1 “(c) (1) The compensation schedule for the Crafts,
2 Protective, and Custodial Schedule shall be as follows:

“Grade	Per annum rates						
1----	\$1,980	\$2,040	\$2,100	\$2,160	\$2,220	\$2,280	\$2,340
2----	2,590	2,660	2,730	2,800	2,870	2,940	3,010
3----	2,722	2,802	2,882	2,962	3,042	3,122	3,202
4----	2,920	3,000	3,080	3,160	3,240	3,320	3,400
5----	3,144	3,224	3,304	3,384	3,464	3,544	3,624
6----	3,370	3,450	3,530	3,610	3,690	3,770	3,850
7----	3,605	3,705	3,805	3,905	4,005	4,105	4,205
8----	3,925	4,050	4,175	4,300	4,425	4,550	4,675
9----	4,360	4,485	4,610	4,735	4,860	4,985	5,110
10----	4,795	4,920	5,045	5,170	5,295	5,420	5,545

- 3 “(2) Charwomen working part time shall be paid at
4 the rate of \$2,870 per annum, and head charwomen working
5 part time at the rate of \$3,010 per annum.”

- 6 (b) The rates of basic compensation of officers and em-
7 ployees to whom this section applies shall be initially adjusted
8 as follows:

- 9 (1) If the employee is receiving a rate of basic compen-
10 sation immediately prior to the effective date of this section at
11 one of the scheduled or longevity rates provided by the Classi-
12 fication Act of 1949, as amended, he shall receive a rate of
13 basic compensation at the corresponding scheduled or lon-
14 gevity rate in effect on and after such date;

- 15 (2) If the employee is receiving a rate of basic compen-
16 sation immediately prior to the effective date of this section at
17 a rate between two scheduled or two longevity rates, or be-
18 tween a scheduled rate and a longevity rate, provided by the
19 Classification Act of 1949, as amended, he shall receive a

1 rate of basic compensation at the higher of the two corre-
2 sponding rates in effect on and after such date;

3 (3) If the employee, immediately prior to the effective
4 date of this section, is in a position in any one of the first
5 ten grades of the General Schedule or in any one of the
6 grades of the Crafts, Protective, and Custodial Schedule,
7 and is receiving a rate of basic compensation in excess of
8 the maximum longevity rate of his grade as provided in this
9 section, he shall continue to receive basic compensation with-
10 out change in rate until (A) he leaves such position, or
11 (B) he is entitled to receive basic compensation at a higher
12 rate by reason of the operation of the Classification Act of
13 1949, as amended; but when such position becomes vacant,
14 the rate of basic compensation of any subsequent appointee
15 shall be fixed in accordance with such Act, as amended;

16 (4) If the employee, immediately prior to the effective
17 date of this section, is in a position in grade 11, 12, 13,
18 14, or 15 of the General Schedule, and is receiving a rate of
19 basic compensation in excess of the maximum scheduled rate
20 of his grade as provided in this section, he shall continue to
21 receive basic compensation without change in rate until
22 (A) he leaves such position, or (B) he is entitled to receive
23 basic compensation at a higher rate by reason of the oper-
24 ation of the Classification Act of 1949, as amended; but when

1 such position becomes vacant, the rate of basic compensation
2 of any subsequent appointee shall be fixed in accordance
3 with such Act, as amended.

4 *SEC. 102. (a) The rates of basic compensation of officers*
5 *and employees in or under the judicial branch of the Govern-*
6 *ment whose rates of compensation are fixed pursuant to section*
7 *62 (2) of the Bankruptcy Act (11 U. S. C. 102 (a) (2)),*
8 *section 3656 of title 18 of the United States Code, the second*
9 *and third sentences of section 603, section 604 (5), or sections*
10 *672 to 675, inclusive, of title 28 of the United States Code,*
11 *are hereby increased by 5 per centum, except that no such*
12 *rate shall be increased by more than \$440 per annum or less*
13 *than \$170 per annum.*

14 *(b) The limitations of \$10,560 and \$14,355 with respect*
15 *to the aggregate salaries payable to secretaries and law clerks*
16 *of circuit and district judges, contained in the paragraph*
17 *under the heading "Salaries of Supporting Personnel" in the*
18 *Judiciary Appropriation Act, 1955, or in any subsequent*
19 *appropriation Act, shall be increased by the amounts neces-*
20 *sary to pay the additional basic compensation provided by this*
21 *Act.*

22 *SEC. 103. (a) Each officer and employee in or under the*
23 *legislative branch of the Government (other than an employee*
24 *in the office of a Senator) whose rate of compensation is*
25 *increased by section 5 of the Federal Employees Pay Act of*

1 1946 shall be paid additional compensation at the rate of 5
2 per centum of the aggregate rate of his rate of basic compensa-
3 tion and the rate of the additional compensation received by
4 him under sections 501 and 502 of the Federal Employees
5 Pay Act of 1945, as amended, section 301 of the Postal Rate
6 Revision and Federal Employees Salary Act of 1948, the
7 provisions under the heading "Increased pay for legislative
8 employees" in the Second Supplemental Appropriation Act,
9 1950, and the Act of October 24, 1951 (Public Law 201,
10 Eighty-second Congress), except that no such officer or
11 employee shall be paid additional compensation at a rate less
12 than \$170 per annum or in excess of \$440 per annum.

13 (b) Section 2 (b) of the Act of October 24, 1951 (Pub-
14 lic Law 201, Eighty-second Congress) is amended by strik-
15 ing out "\$11,646" and inserting in lieu thereof "\$12,086".

16 (c) (1) The aggregate amount of the basic compensa-
17 tion authorized to be paid for administrative and clerical
18 assistance and messenger service in the offices of Senators is
19 hereby increased by—

20 (A) \$2,160 in the case of Senators from States the
21 population of which is less than three million;

22 (B) \$2,400 in the case of Senators from States the
23 population of which is three million or more but less than
24 five million;

25 (C) \$3,120 in the case of Senators from States the

1 *population of which is five million or more but less than*
 2 *ten million; and*

3 *(D) \$3,180 in the case of Senators from States the*
 4 *population of which is ten million or more.*

5 *(2) The second proviso in the paragraph relating to the*
 6 *authority of Senators to rearrange the basic salaries of em-*
 7 *ployees in their respective offices, which appears in the Legis-*
 8 *lative Branch Appropriation Act, 1947, as amended (2*
 9 *U. S. C. 60f), is amended by striking out "\$5,880" and in-*
 10 *serting in lieu thereof "\$6,180"; by striking out "\$7,320" and*
 11 *inserting in lieu thereof "\$7,620"; and by striking out*
 12 *"\$8,400" and inserting in lieu thereof "\$8,640".*

13 *(d) The rates of basic compensation of each of the elected*
 14 *officers of the Senate and the House of Representatives (not*
 15 *including the presiding officers of the two Houses), the*
 16 *Parliamentarian of the Senate, the Parliamentarian of the*
 17 *House of Representatives, the Legislative Counsel of the Sen-*
 18 *ate, the Legislative Counsel of the House of Representatives,*
 19 *and the Coordinator of Information of the House of Repre-*
 20 *sentatives are hereby increased by 5 per centum, except that*
 21 *no such rate shall be increased by more than \$440 per annum*
 22 *or less than \$170 per annum.*

23 *(e) (1) The provisions of subsection (a) shall not apply*
 24 *to employees whose compensation is paid from the appropria-*
 25 *tion contained in the paragraph designated "Folding docu-*

1 ments” under the heading “Contingent Expenses of the
2 Senate” in the Legislative Branch Appropriation Act, 1955
3 (Public Law 470, Eighty-third Congress).

4 (2) The limitations in the paragraph designated “Fold-
5 ing documents” under the heading “Contingent Expenses
6 of the House” in the Legislative Appropriation Act, 1955
7 (Public Law 470, Eighty-third Congress), are hereby
8 increased by 5 per centum.

9 (f) The Official Reporters of the proceedings and debates
10 of the Senate and their employees shall be considered to be
11 officers or employees in or under the legislative branch of the
12 Government within the meaning of subsection (a) and the
13 provisions of law referred to in such subsection.

14 (g) The additional compensation provided by subsec-
15 tion (a) and the provisions of law referred to in such
16 subsection shall be considered a part of basic compensa-
17 tion for the purposes of the Civil Service Retirement Act
18 of May 29, 1930, as amended.

19 SEC. 104. Section 66 of the Farm Credit Act of 1933
20 (48 Stat. 269) is hereby amended to read as follows:

21 “SEC. 66. No director, officer, or employee of the
22 Central Bank for Cooperatives, or of any production
23 credit corporation, production credit association, or bank

1 for cooperatives shall be paid compensation at a rate in
2 excess of \$14,240 per annum.”

3 *SEC. 105. (a) The rates of basic compensation of of-*
4 *icers and employees in the Department of Medicine and*
5 *Surgery in the Veterans' Administration whose rates of*
6 *basic compensation are provided by Public Law 293, Seventy-*
7 *ninth Congress, approved January 3, 1946, as amended,*
8 *are hereby increased by 5 per centum, except that no such*
9 *rate shall be increased by more than \$440 per annum or*
10 *less than \$170 per annum.*

11 *(b) Section 8 (d) of Public Law 293, Seventy-ninth*
12 *Congress, as amended, is amended by striking out “\$12,800”*
13 *and inserting in lieu thereof “\$13,240”.*

14 *SEC. 106. The rates of basic compensation provided by*
15 *sections 412 and 415 of the Foreign Service Act of 1946,*
16 *as amended, are hereby increased by 5 per centum, except*
17 *that no such rate shall be increased by more than \$440*
18 *per annum or less than \$170 per annum.*

19 *SEC. 107. The rate of basic compensation of the Treas-*
20 *urer of the United States shall be at the maximum scheduled*
21 *rate of the highest grade established by the Classification Act*
22 *of 1949, as amended.*

23 *SEC. 108. Notwithstanding any other provisions of this*
24 *Act, no rate of compensation which is \$14,800 or more per*
25 *annum shall be increased by this Act, and no rate of com-*

1 *pensation shall be increased by this Act to an amount in*
2 *excess of \$14,800 per annum.*

3 *SEC. 109. Section 3 of the Travel Expense Act of 1949*
4 *(63 Stat. 166, as amended; 5 U. S. C. 836) is amended by*
5 *striking out “\$9” and inserting in lieu thereof “\$12”.*

6 *SEC. 110. This title shall take effect on the first day*
7 *of the first pay period which begins after the date of its*
8 *enactment.*

9 *TITLE II—POSTAL EMPLOYEES*

10 *SEC. 201. It is the sense of the Congress that—*

11 *(1) it is both necessary and desirable that an equi-*
12 *table system should be established for the classification of*
13 *positions and the determination of salaries of postmasters,*
14 *officers, and employees in the field service of the Post*
15 *Office Department; and*

16 *(2) such classification and salary system should be*
17 *established after a study of all problems relating thereto*
18 *conducted by a commission composed of representatives*
19 *of the Congress, the Post Office Department, and postal*
20 *employees, and through the enactment of appropriate*
21 *legislation pursuant to recommendations submitted to the*
22 *Congress by such commission following the completion*
23 *of such study.*

24 *SEC. 202. (a) The rates of basic compensation, other*
25 *than rates referred to in subsection (b) of this section, of post-*

1 masters, officers, and employees in the postal field service
 2 whose rates of compensation are prescribed by the Act en-
 3 titled "An Act to reclassify the salaries of postmasters, officers,
 4 and employees of the Postal Service; to establish uniform pro-
 5 cedures for computing compensation; and for other pur-
 6 poses", approved July 6, 1945 (Public Law 134, Seventy-
 7 ninth Congress), as amended, are hereby increased by 5
 8 per centum except that no such rate shall be increased by
 9 more than \$440 or less than \$200 per annum.

10 (b) (1) That part of the compensation schedule headed
 11 "Grades and Salaries of Employees in the Automatic
 12 Grades" and contained in section 11A of such Act of
 13 July 6, 1945 (Public Law 134, Seventy-ninth Congress),
 14 as amended, which provides hourly rates of compensation, is
 15 amended to read as follows:

"Hourly rates									
"Clerks in post offices of the 3d class; carriers in village delivery service.....	\$1.435	\$1.485	\$1.54	\$1.59					
Charwomen and charwomen.....	1.495	1.55							
Mail handlers, messengers, watchmen; operators of the pneumatic tube service; garagemen-drivers.....	1.645	1.695	1.75	1.80					
Special delivery messengers in post offices of the 1st class.....	1.645	1.695	1.75	1.80	\$1.855	\$1.905	\$1.96		
Clerks; carriers in city delivery service; driver mechanics; general mechanics; dispatchers of the pneumatic tube service.....	1.695	1.75	1.80	1.855	1.905	1.96	2.01	\$2.065	\$2.115
Postal transportation clerks.....	1.80	1.855	1.905	1.96	2.01	2.065	2.115		
Special mechanics.....	2.02								

16 (2) The rates of basic compensation of postmasters at
 17 post offices of the fourth class are hereby increased by 5 per
 18 centum.

19 (3) The rates of fixed compensation per annum of rural

1 carriers are hereby increased by 5 per centum except that
2 no such rate shall be increased by more than \$440 or less
3 than \$200 per annum.

4 (c) This section shall not apply to skilled-trades em-
5 ployees of the mail-equipment shops, job cleaners in first-
6 and second-class post offices, and employees who are paid on
7 a fee or contract basis.

8 (d) The increases in rates of basic compensation pro-
9 vided by this section shall not apply to longevity salary
10 increases.

11 SEC. 203. Section 16 (r) of such Act of July 6, 1945
12 (Public Law 134, Seventy-ninth Congress), as amended,
13 which relates to travel allowances for employees in the Postal
14 Transportation Service who are assigned to road duty, is
15 amended by striking out "\$6 per day" and inserting in lieu
16 thereof "\$9 per day".

17 SEC. 204. Any increase in rate of basic compensation by
18 reason of the enactment of this title shall not be considered
19 as an "equivalent increase" in compensation within the
20 meaning of section 701 of the Classification Act of 1949, as
21 amended, in the case of postmasters, officers, and employees
22 in the postal field service who transfer or are transferred to
23 positions within the purview of the Classification Act of
24 1949, as amended.

25 SEC. 205. In the exercise of the authority granted by

1 section 81 of title 2 of the Canal Zone Code, as amended,
2 the Governor of the Canal Zone is authorized to grant, as of
3 the effective date of this section, additional compensation to
4 postal employees of the Canal Zone Government, based on
5 the additional compensation granted by this Act to similar
6 employees in the field service of the Post Office Department
7 of the United States.

8 SEC. 206. This Act shall have the same force and effect
9 within Guam as within other possessions of the United States.

10 SEC. 207. (a) Section 7 of the Act entitled "An Act to
11 reclassify the salaries of postmasters, officers, and employees
12 of the Postal Service; to establish uniform procedures for
13 computing compensation; and for other purposes", approved
14 July 6, 1945 (Public Law 134, Seventy-ninth Congress), as
15 amended, is amended to read as follows:

16 "METHOD OF PAYMENT

17 "SEC. 7. (a) The compensation of postmasters and per
18 annum rate employees shall be paid in twenty-six install-
19 ments. Each such installment shall be the compensation for
20 a pay period of two weeks. The compensation of hourly rate
21 substitute employees and other hourly rate employees shall
22 be computed for each pay period of two weeks on the basis of
23 the number of hours of work performed by such employees
24 during such pay period.

25 "(b) To compute an hourly rate for postmasters and

1 *per annum rate employees, the per annum rate shall be*
2 *divided by 2080.*

3 “(c) *To compute a daily rate for postmasters and per*
4 *annum rate employees, the hourly rate shall be multiplied*
5 *by the number of daily hours of service required.*

6 “(d) *Subsections (b) and (c) of this section shall*
7 *not apply to carriers in the rural delivery service. When-*
8 *ever, for pay computation purposes, it is necessary to con-*
9 *vert the basic annual rate of compensation of carriers in the*
10 *rural delivery service to a basic daily or biweekly rate, the*
11 *following rules shall govern:*

12 “(1) *An annual rate shall be divided by 312 to*
13 *derive a daily rate.*

14 “(2) *A daily rate shall be multiplied by 12 to derive*
15 *a biweekly rate.*

16 “(e) *All rates shall be computed to the nearest cent,*
17 *counting one-half cent and over as a whole cent.*

18 “(f) *When a pay period for any postmaster or employee*
19 *begins in one fiscal year and ends in another fiscal year, the*
20 *gross amount of the earnings of such postmaster or employee*
21 *for such pay period may be regarded as a charge against the*
22 *appropriation or allotment current at the end of such pay*
23 *period.”*

24 (b) *Section 8 of such Act of July 6, 1945, as amended,*

1 *is amended by adding at the end thereof a new subsection*
2 *(d) to read as follows:*

3 “(d) *The salaries of postmasters, assistant postmasters,*
4 *and supervisors paid under the provisions of this section*
5 *shall be readjusted at the beginning of the first complete pay*
6 *period in each fiscal year.”*

7 (c) *Section 9 (b) of such Act of July 6, 1945, as*
8 *amended, is amended by adding at the end thereof a new*
9 *sentence to read as follows: “The salaries of superintendents*
10 *and assistant superintendents of classified stations shall be*
11 *readjusted at the beginning of the first complete pay period*
12 *in each fiscal year.”*

13 (d) *Section 11A of such Act of July 6, 1945, as*
14 *amended, is amended by striking out “and shall be promoted*
15 *successively at the beginning of the quarter following one*
16 *year’s satisfactory service in each grade to the next higher*
17 *grade until they reach the top automatic grade” and by*
18 *inserting in lieu thereof “and shall be promoted successively*
19 *at the beginning of the first complete pay period following*
20 *fifty-two weeks of satisfactory service in each grade to the*
21 *next higher grade until they reach the top automatic grade”.*

22 (e) *Section 13 of such Act of July 6, 1945, as amended,*
23 *is amended by adding immediately after subsection (a)*
24 *thereof a new subsection (b) to read as follows:*

25 “(b) *The salaries of employees paid under the provi-*

1 sions of this section shall be readjusted at the beginning of
2 the first complete pay period in each fiscal year.”

3 (f) Section 14 of such Act of July 6, 1945, as amended,
4 is amended by adding immediately after subsection (a)
5 thereof a new subsection (b) to read as follows:

6 “(b) The salaries of employees paid under the provi-
7 sions of this section shall be readjusted at the beginning of
8 the first complete pay period in each fiscal year.”

9 (g) That part of subsection (l) of section 14 of such
10 Act of July 6, 1945, as amended, which precedes the first
11 proviso is amended to read as follows:

12 “(l) Temporary employees in the custodial service paid
13 on an annual basis shall be paid at the rates of pay of grade
14 1 of the position in which employed and shall, at the begin-
15 ning of the first complete pay period following fifty-two
16 weeks of satisfactory service in each pay status, be advanced
17 successively to the rates of pay of the next higher grade
18 of such position; and temporary employees in the custodial
19 service paid on an hourly basis shall be paid at the rates of
20 pay of grade 1 of the position in which employed and shall,
21 at the beginning of the first complete pay period following
22 fifty-two weeks of satisfactory service in each pay status,
23 be advanced successively to the rates of pay of the next higher
24 grade of such position.”.

25 (h) Section 15 (b) of such Act of July 6, 1945, as

1 amended, is amended by striking out “and shall be pro-
2 moted successively at the beginning of the quarter following
3 one year’s satisfactory service in each grade until they reach
4 grade 8”, and by inserting in lieu thereof “and shall be
5 promoted successively at the beginning of the first complete
6 pay period following fifty-two weeks of satisfactory service
7 in each grade until they reach grade 8”.

8 (i) That part of section 18 (f) of such Act of July 6,
9 1945, as amended, which precedes the first proviso is
10 amended to read as follows:

11 “(f) Each temporary employee in the mail equipment
12 shops paid on an annual basis shall be paid at the rate of
13 pay of the lowest grade provided for a regular employee in
14 the same type of position in which such temporary employee
15 is employed, and shall, at the beginning of the first complete
16 pay period following fifty-two weeks of satisfactory service
17 in each pay status, be advanced successively to the rates of
18 pay of the next higher grade of such position.”.

19 (j) The first section of the Act of April 15, 1947
20 (Public Law 35, Eightieth Congress), as amended, is
21 amended by striking out “shall be promoted successively at
22 the beginning of the quarter following one year’s satisfactory
23 service in each grade” and by inserting in lieu thereof “shall
24 be promoted successively at the beginning of the first com-

1 plete pay period following fifty-two weeks of satisfactory
2 service in each grade”.

3 (k) All laws or parts of laws inconsistent with the
4 amendments made by this section are hereby repealed or
5 modified to the extent necessary to carry out the purposes
6 of and conform to such amendments.

7 SEC. 208. (a) (1) There is hereby established a Com-
8 mission on Postal Field Service Classification (hereinafter
9 referred to as “the Commission”) to be composed of (A) the
10 chairman and ranking minority member of the Committee on
11 Post Office and Civil Service of the Senate, (B) the chair-
12 man and ranking minority member of the Committee on Post
13 Office and Civil Service of the House of Representatives,
14 (C) the Postmaster General, (D) two officers or employees
15 of the Post Office Department to be appointed by the
16 President, and (E) two representatives of postal employee
17 organizations to be appointed by the President.

18 (2) The Postmaster General shall be Chairman of the
19 Commission. Vacancies in the membership of the Com-
20 mission shall not affect the power of the remaining mem-
21 bers to execute the functions of the Commission, and shall
22 be filled in the same manner as the original selection. Five
23 of the members of the Commission shall constitute a quorum
24 for the transaction of business. The Commission shall fix

1 *the number of members who shall constitute a quorum for*
2 *each subcommittee thereof.*

3 *(b) The Commission, acting as a whole or by subcom-*
4 *mittee, shall conduct or cause to be conducted a thorough in-*
5 *vestigation and study for the purpose of developing a plan for*
6 *the establishment of a uniform, integrated, and equitable*
7 *classification and pay system for all postmasters, officers, em-*
8 *ployees, and positions in the postal field service.*

9 *(c) The Postmaster General is authorized to make*
10 *available to the Commission such personnel, facilities, and*
11 *services of the Post Office Department as may be necessary*
12 *to enable it to perform its functions. The chairman of the*
13 *Committee on Post Office and Civil Service of the Senate*
14 *and the chairman of the Committee on Post Office and Civil*
15 *Service of the House of the Representatives are authorized to*
16 *assign from time to time the members of the staffs of their*
17 *respective committees to duties and responsibilities in con-*
18 *nection with the operation of the Commission.*

19 *(d) The Commission shall report to the Senate and the*
20 *House of Representatives, on or before March 1, 1955, the*
21 *results of its study and investigation, together with such*
22 *recommendations (including drafts of legislation to carry*
23 *out such recommendations) as it deems advisable.*

24 *SEC. 209. Section 1310 of the Supplemental Appropria-*

1 *tion Act, 1952 (Public Law 253, Eighty-second Congress),*
2 *as amended, is hereby repealed.*

3 *SEC. 210. This title shall take effect as follows:*

4 *(1) Sections 206 and 208 and this section, shall*
5 *take effect on the date of enactment of this Act;*

6 *(2) Sections 202, 204, and 205 shall take effect*
7 *on the first day of the first pay period which begins*
8 *after the date of enactment of this Act;*

9 *(3) Sections 203 and 209 shall take effect on the*
10 *first day of the first calendar month following the*
11 *calendar month in which this Act is enacted; and*

12 *(4) Section 207 shall take effect upon such date,*
13 *not later than ninety days after the date of enactment*
14 *of this Act, as may be designated by the Postmaster*
15 *General.*

Amend the title so as to read: "An Act to increase the rates of compensation of classified, postal, and other employees of the Government, and for other purposes."

Passed the House of Representatives April 5, 1954.

Attest:

LYLE O. SNADER,

Clerk.

83^d CONGRESS
2^d SESSION

H. R. 7774

[Report No. 1993]

AN ACT

To establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

APRIL 6 (legislative day, APRIL 5), 1954

Read twice and referred to the Committee on Post
Office and Civil Service

JULY 28 (legislative day, JULY 2), 1954

Reported with amendments

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

July 30, 1954
July 29, 1954
83rd-2nd, No. 144

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HIGHLIGHTS: House passed bill to increase CCC borrowing power. House agreed to corrections in enrollment of housing bill. House voted against sine die adjournment July 31. Senate committee reported flood control bill. Senate agreed to conference report on tax revision bill. Senate debated mutual security authorization bill. Senate committee ordered reported supplemental appropriation bill. Rep. Multer criticized USDA's request for further increase in CCC borrowing authority. Senate recalled water-facilities loans bill and agreed to bills correcting clerical errors.

HOUSE

1. COMMODITY CREDIT CORPORATION. Passed, 317-57, without amendment H. R. 9756, increasing the borrowing power of CCC from \$8.5 billion to \$10 billion (pp. 11965-6).
2. MINERALS. Agreed to the conference report on S. 3344, to amend the mineral leasing laws to provide for multiple mineral development of the same tracts of public lands (pp. 11967, A5553-5).
3. HOUSING LOANS. Agreed to a Senate concurrent resolution correcting errors in the enrollment of H. R. 7839, the housing bill (pp. 11966-7, 12010). This bill will now be sent to the President.
4. ADJOURNMENT. By a 183-193 vote, rejected H. Con. Res. 265, providing for sine die adjournment of Congress on July 31 (p. 11966).
5. TEXTILES. Rep. Deane inserted an analysis of the textile industry which he compiled from information obtained from the Legislative Reference Service and other sources (pp. 11971-5).
6. COFFEE PRICES. Received from the Federal Trade Commission a report, "Investigation of Coffee Prices" (p. 12029).

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SENATE

7. WATER-FACILITIES LOANS. Recalled S. 3137, to amend the Water Facilities Act; reconsidered the vote by which the Senate agreed to House amendments to the bill; and concurred in the House amendments with further amendments for the purpose of correcting clerical errors in the bill (pp. 11898, 11958, 12000).
8. FARM PROGRAM. The amendment by Sen. Williams to S. 3052 (see Digest 143) is identical to his bill, S. 3815, which would provide for a specific contribution by State governments to the cost of feed or seed furnished to farmers, ranchers, or stockmen in disaster areas.
Sen. Goldwater (for himself and Sen. Hayden) submitted an amendment which he intends to propose to this bill. Sen. Aiken (for himself and Sens. Hickenlooper, Schoeppel, Holland, and Anderson) submitted an amendment in the nature of a substitute which they intend to propose to the bill. (p. 11896.)
9. FOREIGN AID. Continued debate on H. R. 9678, the mutual security authorization bill for 1955 (pp. 11900-29, 11956-63).
10. SUPPLEMENTAL APPROPRIATION BILL, 1955. The Appropriations Committee ordered this bill reported with amendments (p. D913).
11. FLOOD CONTROL. The Public Works Committee reported with amendments H. R. 9859, the omnibus flood control bill (S. Rept. 2007)(p. 11892).
12. MINERALS; PUBLIC LANDS. The Interior and Insular Affairs Committee reported with amendment S. 3071, to amend the act authorizing agricultural entries under the non-mineral-land laws of certain mineral lands (S. Rept. 2009)(p. 11893).
13. FARM LOANS. Passed as reported H. R. 8152, to extend to June 30, 1955, the authority of the Veterans' Administration for direct home and farmhouse loans under the Servicemen's Readjustment Act, and to make additional funds available therefor (pp. 11926-7).
14. TAXATION. Agreed to the conference report on H. R. 8300, to revise the internal revenue laws (pp. 11929-54). This bill will now be sent to the President. Sens. Morse and Humphrey discussed an amendment which had been proposed by S. Humphrey regarding grain storage facilities and the contemplated purchase by CCC of additional facilities (pp. 11942-4).
15. PERSONNEL. Sen. Williams inserted and discussed an amendment which he intends to propose (on behalf of himself and Sen. Schoeppel) to H. R. 7774, the incentive awards bill. The amendment would prevent persons who are convicted of certain crimes from participating under the Civil Service Retirement Act, but would provide for refunds to such persons of the amounts which they had contributed to the retirement fund. (p. 11897.)
16. FOREIGN AID. Sen. Wiley commended the technical assistance program and inserted newspaper editorials on this matter (p. 11899).
17. NOMINATION of Lawrence Quincy Mumford, to be Librarian of Congress, was confirmed (p. 11964).

BILLS APPROVED BY THE PRESIDENT

18. RECLAMATION. H. R. 6786, authorizing Interior to purchase improvements or pay damages for removal of improvements located on U. S. public lands in the

payer, where it belongs, and transfer it to the American taxpayer.

The committee report stresses the goodwill toward this Government which will result from the return of this property and points to the receipt of letters from citizens of former enemy countries urging the return of the property. Nothing is said, however, of the multitudes of letters that are being received by Members of Congress daily from American citizens decrying the payment of an additional half billion dollars to nationals of Germany and Japan. Nor does the committee take any cognizance of the written reports by the executive branch of the Government, each objecting to the appropriations the bill requires. The report of the Bureau of the Budget dated June 30, 1954, stated it "is opposed to the use of appropriated funds to finance such a return." The State Department's report dated July 1, 1954, states:

"The amount of appropriations required either for a complete return of German and Japanese assets or for any measure of partial return has not been estimated. In the circumstances, the Department does not feel that it is in a position to endorse any specific proposal for return at this time."

The letter from the Department of Justice of June 30, 1954, opposes the enactment of the bill, pointing out that "the bill probably would require appropriations of not less than \$175 million." The chairman of the subcommittee handling this measure has stated that he had no definite idea, but that \$200 million or even more of appropriated funds may be required. The bill authorizes the Vested Property Commission to determine the sum necessary to carry out the purposes of the bill and the appropriation of such sum is authorized.

Presumably, the committee has decided that the good will which it asserts will result from the generosity of this Government in making complete return is well worth the cost. In so doing it has chosen to ignore not only the written admonitions of the three Government agencies mentioned, but has also deliberately disregarded the representations of the Secretary of State to whom it admittedly looked for policy guidance. Mr. Dulles testified that our relations with Germany and Japan are sufficiently good that we do not have to buy their good will; that "we have done plenty." He then discussed the good will effect of partial return, specifically a return of some figure such as up to \$10,000. Colonel Townsend had already testified that such a return would require the payment of less than 25 percent of that required by the bill in its present form and would have the effect of paying 92 percent of all vested enemy accounts and removing the hardship cases. Mr. Dulles stated:

"The maximum of good will would be obtained if there could be a total restitution in favor of the small people who in the aggregate make up a very considerable number * * *

His testimony referred in detail to the many cases of small and impoverished people who had small savings or annuities or life insurance policies in this country. He said: "I would very strongly approve that feature of your bill, if that is in it." This statement of policy by the Secretary of State favoring a partial return has not swayed the committee from its announced purpose of returning all vested property, nor has the attendant unnecessary drain on the Treasury of the United States and the American taxpayer caused the committee to deviate from this purpose in the slightest degree.

Colonel Townsend, in his testimony, and the Department of Justice, in its reports on this bill, stated that certain vested properties have increased enormously in value between the time of vesting and the present time. For example, General Aniline & Film

Corp., vested as the property of I. G. Farbenindustrie, has increased in value from \$35 million at the date of vesting to about \$90 million at the present time. Schering Corp. has increased from \$1,300,000 at date of vesting to over \$29 million at the date of sale. It is my understanding that such increases in value total about \$150 million. This bill would return all vested property together with these increases. The increases occurred not through any passive custodianship of the vested property, but through the active operation of these properties under the supervision of the Custodian and the Attorney General. The original enemy owners had no part in creating this vast increase in value. To return their property in its present form would represent an unjustified windfall to the former owners at the expense of the United States and the American taxpayer. Some of these corporations are of substantial importance to American industry. They contributed greatly to the American war effort and continue to contribute to our present defense program. The substantial increases in value resulted in part from the very war which was brought on by governments of the people to whom this property would be returned. This bill, therefore, represents a gift to these people of the fruits of war. Secretary Dulles testified he would be inclined to make restitution either of the value at the time of seizure or at the time of return, whichever is less. Here again, the committee, having requested and received policy guidance from the Secretary of State, has ignored it. An amendment to the bill along the lines indicated by the Department of Justice and the Secretary of State would save the American taxpayer more than \$150 million.

Another matter deserves special attention. S. 3423 provides that where an owner has filed a claim before April 30, 1949, and no conflicting title claim has been filed prior to December 31, 1953, the Attorney General shall order the return of the property. This provision denies consideration to any person who would be eligible under the terms of this bill if a claim had been filed before April 30, 1949. Obviously, most of the former owners of property have been ineligible to file claims for return up to this time. S. 3423 makes them eligible to do so for the first time. Yet in those cases where claims were filed before April 30, 1949, by others, it automatically divests them of rights otherwise granted by this bill. I believe this provision particularly unwarranted and objectionable.

My opposition to S. 3423 is also dictated by several additional aspects of the bill. The committee's detailed analysis of the bill refers to its purpose to maintain certain large and important industrial properties under American ownership. It does not accomplish that important purpose. The bill provides that this Government should require the sale of such property to American citizens. The committee well knows that much German property has been vested from American "cloaks" to whom bare legal title to the property was conveyed by German interests in anticipation of war and with the understanding that title was to be reconveyed after the war. The bill does not prevent this property from being sold to such American "cloaks" and from finding its way back again to German control. It merely requires the sale of the property to citizens of the United States with no other standard or protection.

Even if I agreed with the principles of the bill and the purposes it purports to achieve, I would nevertheless, object to its enactment on the ground that it fails in its purposes. The committee's report indicates that one of the main objectives of S. 3423 is to obtain the good will of the German people by returning their vested property. It is a matter of common knowledge that a sub-

stantial portion of the property vested as German-owned was not held by Germans at the time the property was vested. The record owners of such property were American, Swiss, Dutch, and other nonenemy nationals. Two noteworthy examples may be found in the General Aniline & Film and Schering cases mentioned above. The record title in both these cases was held by Swiss nationals. These two alone total about \$120 million. That there are many other such cases is obvious from the known methods used by the Germans in cloaking their property. S. 3423 provides for the return of vested property to the person holding the record title thereto at the time of vesting. The bill makes no provision to insure that the property will be returned to the Germans determined to be the owners at the time of vesting. The record owners to whom this property would be returned will, therefore, be in a position to retain it. The bill thus rewards the "cloaks" who collaborated in violating the laws of the United States.

I believe that the creation of a Vested Property Commission and the placing of this Commission in a position to review the work of the Attorney General is highly objectionable. The Attorney General is responsible for the administration of the Trading With the Enemy Act. No useful purpose can be served by subordinating him to a Vested Property Commission. If, for any reason, the committee believes that the Attorney General, a Cabinet officer, is not capable of administering the Trading With the Enemy Act without the supervision of the Commission, the entire administration of the act should be placed in the hands of the Commission. Otherwise, the creation of a Vested Property Commission should be abandoned.

There are further objections to the bill. Because he was an arm of the Government, the custodian, having vested enemy interests in patent royalty agreements which violate the antitrust laws, was able to collect royalties from American licensees even though the German party could not have done so. To return the proceeds of these collections to the German parties to the agreements would obviously constitute inequitable enrichment. In addition, in returning vested patent contract interests to nonenemies, the Office of Alien Property deducts royalties received from patents and proceeds used in war production and turns these royalties over to the Treasury. This bill would require these proceeds to be returned to the former enemy party to the agreement. The bill would, therefore, require that these enemies receive more favorable treatment than our allies and neutrals.

ROBERT C. HENDRICKSON,
United States Senator.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GILLETTE:

S. 3819. A bill for the relief of Pak-Chue Chan, Oi-Jen Tsin Chan (nee Tsin), Chee Tao Chan, and Wai May Chan; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 3820. A bill for the relief of James P. Burke; to the Committee on the Judiciary.

ADDITIONAL FUNDS FOR OFFICIAL REPORTERS OF SENATE DEBATES AND PROCEEDINGS

Mr. KNOWLAND submitted the following resolution (S. Res. 296), which was referred to the Committee on Rules and Administration:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay

from the contingent fund of the Senate, to the Official Reporters of the Senate debates and proceedings during the period of July 1, 1954, to December 31, 1954, so much as may be necessary, not to exceed \$10,000 for the employment of additional office personnel.

PRINTING OF COMPILATION OF SOCIAL SECURITY LAWS

Mr. MILLIKIN submitted the following resolution (S. Res. 297), which was referred to the Committee on Rules and Administration:

Resolved, That the compilation of social-security laws, prepared by the Social Security Administration for the use of the Senate Committee on Finance, be printed as a Senate document.

STUDY OF MIGRATION OF POPULATION AND INDUSTRY AND TRENDS ARISING THEREFROM

Mr. MURRAY (for himself, Mr. KENNEDY, and Mr. LEHMAN) submitted the following resolution (S. Res. 298), which was referred to the Committee on Labor and Public Welfare:

Resolved, That the Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation of such problems as it may deem proper relating to (1) the sectional migration of industry; (2) the migration of populations contingent upon sectional migration of industry; (3) the effects upon sections whence such migration both of industry and populations originated; and (4) the trends arising from the effects of such migrations, for the purpose of developing any appropriate recommendations which should be brought to the attention of the Congress.

SEC. 2. For the purposes of this resolution, the committee or any duly authorized subcommittee thereof, is authorized to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee under this resolution, which shall not exceed \$75,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

EXTENSION OF GREETINGS TO LEGISLATURES OF THE GOLD COAST AND NIGERIA

Mr. WILEY. Mr. President, I submit for appropriate reference a resolution extending greetings to the first legislatures of the Gold Coast and Nigeria.

A companion resolution (H. Res. 648) was reported unanimously for the House Foreign Affairs Committee in House Report 2497 and was approved by the House last Monday.

The resolution had been submitted the previous week by Representative JACOB K. JAVITS, Republican, of New York.

I ask unanimous consent that the resolution be printed at this point in the body of the CONGRESSIONAL RECORD, to be followed thereafter by a brief statement which I have prepared.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred; and, without objection, the resolution and statement will be printed in the RECORD.

The resolution (S. Res. 299), submitted by Mr. WILEY, was received and referred to the Committee on Foreign Relations, as follows:

Whereas it is the policy of the United States to encourage efforts toward independence and self-government truly expressive of the desires of the people and as they show their capability to establish and protect free institutions; and

Whereas the continent of Africa is a vital part of the free-world area; and

Whereas a revised constitution of the Gold Coast was approved on April 29, 1954, and the first formal meeting of the legislature of that territory under this constitution will take place on July 29, 1954; and

Whereas a revised constitution of Nigeria is expected to be approved during August 1954, and the first meeting of the federal legislature of that territory under this constitution is expected to take place shortly thereafter; and

Whereas these occasions mark important milestones in their progress toward self-government and independence: Now, therefore, be it

Resolved, That the Senate of the United States extend its most cordial greetings to the representative bodies of the Gold Coast and Nigeria on the occasion of the first meeting of their legislatures under the revised constitutions, in recognition of the democratic ideals shared by the United States and those territories, and in reaffirmation of the friendship of the United States for the peoples of Africa; and be it further

Resolved, That the Secretary of State is hereby requested to appoint a United States delegation at the appropriate time to represent the United States at ceremonies marking the achievement of complete self-government for these territories.

The statement presented by Mr. WILEY is as follows:

STATEMENT BY SENATOR WILEY

I believe that Congressman JAVITS well expressed on the House floor on July 26 the reasons for enactment of his worthy resolution of greeting from the United States Congress to the legislative bodies of the Gold Coast and Nigeria on the occasion of the first meeting of their legislatures under the revised constitutions.

The fact of the matter is that there is hardly a single more acute need in the world today than the orderly, peaceful, prosperous progression of the peoples of the colonial areas into self-government.

As we survey the underdeveloped areas, we see that there are two dangerous extremes which might occur on the world scene. Under the first extreme, the colonial powers could resist blindly and obstinately the movement of underdeveloped areas to self-government. The results of such reactionary resistance—or the result of half-hearted doling out of freedom, too little and too late—are most dramatically represented in the unfortunate Indochinese war.

Or, the world could witness the opposite extreme—equally dangerous—of colonial peoples being given independence willy-nilly—so fast, so prematurely, that they would plunge into chaos. Why? Because they might lack even a core of trained leadership—political, judicial, economic, social. They might lack sufficient domestic security forces and facilities, and might, therefore, become unwittingly the pawns of international communism. Thus, the underdeveloped areas would have exchanged a rather benevolent foreign rule for iron-fisted Kremlin rule—the worst imperialist force in world history.

Obviously, both extremes which I have mentioned must be avoided. The Communists would be satisfied if we and our allies

and friends permitted either extreme to develop.

That is why the great and bright experiment of freedom which has been proceeding relatively so well in the Gold Coast and Nigeria holds such deep meaning to the world.

That is why hopes are high for the well-being prosperity, and security of these two regions under their new native leadership.

Unfortunately, the scene in many other places in Africa has already been marred by explosion of violent racial and national tensions.

The Gold Coast and Nigeria, however, offer the world an opportunity to see how Africa can constructively shape things to come as all men of good will everywhere would have them—in peace, in stability, and in fulfillment of the true birthright of peoples.

For this reason, I believe that this resolution should be enacted by the Senate in order that both Chambers will have expressed themselves on the subject.

We, of the United States, we who were once 13 colonies dwelling against a wilderness frontier, can deeply appreciate the feelings of other colonies today—who face their own types of frontiers. We wish them well. We pledge to them our deep respect and our good offices toward their realizing a brighter tomorrow.

AVAILABILITY OF CERTAIN FUNDS TO COMMITTEE ON GOVERNMENT OPERATIONS—AMENDMENT

Mr. HAYDEN submitted an amendment intended to be proposed by him to the resolution (S. Res. 288) to make certain funds available to the Committee on Government Operations, which was ordered to lie on the table and to be printed.

AGRICULTURAL ACT OF 1954—AMENDMENTS

Mr. GOLDWATER (for himself and Mr. HAYDEN) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. AIKEN (for himself, Mr. HICKENLOOPER, Mr. SCHOEPPPEL, Mr. HOLLAND, and Mr. ANDERSON) submitted an amendment in the nature of a substitute, intended to be proposed by them, jointly, to Senate bill 3052, supra, which was ordered to lie on the table and to be printed.

UNIFORM SYSTEM FOR GRANTING INCENTIVE AWARDS TO FEDERAL OFFICERS AND EMPLOYEES—AMENDMENT

Mr. WILLIAMS. Mr. President, on behalf of myself and the Senator from Kansas [Mr. SCHOEPPPEL], I submit an amendment intended to be proposed by us, jointly, to the bill (H. R. 7774) to establish a uniform system for granting incentive awards to Federal officers and employees. I ask unanimous consent that the amendment, together with a statement by me be printed in the RECORD.

The PRESIDENT pro tempore. The amendment will be received and printed, and will lie on the table; and, without ob-

jection, the amendment and statement will be printed in the RECORD.

The amendment submitted by Mr. WILLIAMS (for himself and Mr. SCHOEPFEL) is as follows:

At the appropriate place insert the following:

"That in the case of any person heretofore or hereafter convicted of any offense defined in chapter 11 (relating to bribery and graft), chapter 37 (relating to espionage and censorship), chapter 115 (relating to treason, sedition, and subversive activities), section 281, 282, or 283 (relating to claims and services in matters affecting the Government), or section 431 or 432 (relating to interest by Members of Congress in Government contracts), of title 18 of the United States Code, because of any act done by him while serving as an officer or employee of the Government, or convicted of a violation of section 284 of such title, or convicted of any other offense involving the improper use of his authority, influence, power, or privileges as such an officer or employee or otherwise related to his service as such an officer or employee, and in the case of any person heretofore or hereafter convicted of perjury committed in falsely denying the commission of an act constituting any such offense or an act which would have violated any such provision if it had been committed subsequent to the date of enactment of such provision, no annuity or retired pay shall be paid for any period following the date of such conviction or the date of enactment of this act, whichever is later, to such person or, on the basis of the service of such person, to any survivor of such person.

"SEC. 2. In the case of any such person so convicted, any amounts contributed by him toward the annuity the benefits of which are denied under this act, less any sums previously refunded or paid as annuity benefits, shall be returned to such person with interest at such rates as may be provided in the case of refunds under the law, regulation, or agreement under which the annuity is payable, or if no such rates are so provided at the rate of 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year. In the event a person entitled to a refund under this section dies prior to the making of such refund, the refund shall be made to such person or persons as may be provided in the case of refunds under the law, regulation, or agreement under which the annuity the benefits of which are denied under this act is payable or, if no such provision is made, in the order of preference prescribed in section 12 (e) of the Civil Service Retirement Act of 1930 as amended.

"SEC. 3. As used in this act—

"(a) The term 'officer or employee of the Government' includes a civilian officer or employee under the legislative, executive, or judicial branch of the Government, a civilian officer or employee of the Government of the District of Columbia, and an officer or enlisted member of the Armed Forces of the United States.

"(b) The term 'annuity' means any retirement benefit payable by any department or agency of the United States or the District of Columbia upon the basis of service as a civilian officer or employee of the Government, except that such term does not include salary or compensation which may not be diminished under section 1 of article III of the Constitution or, in the case of a benefit payable under the Social Security Act as amended, any portion of such benefit not based upon service as an officer or employee of the Government.

"(c) The term 'retired pay' means retired pay or retirement pay payable under any law of the United States to members or former members of the Armed Forces of the United

States retired or determined to be entitled to retirement pay.

"(d) The term 'offense' means any violation of law (including a violation cognizable under the Articles of War, the Articles for the Government of the Navy, or the Uniform Code of Military Justice) punishable at the time of commission of such violation by imprisonment for more than 1 year, and any violation of a provision of law referred to in the first section of this act.

"SEC. 4. This act shall not prevent the payment of retired pay granted to any person because of a service-connected disability incurred as a member of the Armed Forces in combat with an enemy of the United States or resulting from an explosion of an instrument of war.

"SEC. 5. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby."

The statement presented by Mr. WILLIAMS is as follows:

STATEMENT BY MR. WILLIAMS

Under the existing law, there is no provision which will prevent employees of the Federal Government who have been convicted of crimes involving disloyalty to the United States or corruption and dishonesty in the execution of their authority from being paid full retirement pensions upon reaching the statutory retirement age.

For example, one former State Department employee who was convicted of perjury in denying that he had given highly classified Government secrets to an agent of a foreign power, will, under the present laws, be eligible to receive regular retirement benefits upon reaching the age of 62.

There are two cases where former Members of Congress have been convicted by the courts of corrupt practices while in public office. In one of these cases the individual is now receiving a pension from the United States Government, while the other will be eligible for his pension upon reaching the age of 62.

During the past 2 years many high public officials, a large percentage of whom were employed in the Treasury Department, likewise have been convicted in the courts of such crimes as bribery, embezzlement, etc. In each of these cases, unless our retirement laws are amended, these convicted officials will, upon reaching the statutory retirement age, be eligible for all the retirement benefits which are now extended to the honest public officials. This is wrong. No public official who has been convicted by the courts of having unlawfully used his position to enrich his own personal fortune or who willfully betrays his country to a foreign power should be pensioned at the expense of the American taxpayers.

Our retirement laws were established to provide some degree of security for faithful Government employees who, after spending many years in Government service, reach the age of retirement.

This amendment will—

1. Prohibit the payment of retirement annuities to any Member of Congress, public official, or member of the armed services who has been convicted of accepting bribes or other offenses involving the improper use of authority or power derived from his public office or to persons convicted of certain crimes involving disloyalty to the United States.

2. Provide for the refund to these convicted employees of their contributions to the retirement fund.

The refund of the retirement payments in such cases where the benefits have been rescinded is only fair, since to confiscate

those funds would in effect be an additional fine to that imposed by the courts.

The amendment would apply to all Federal employees, including Members of Congress and members of the Armed Forces.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 9406. An act to provide for the conveyance of certain real property to the town of Beaufort, N. C.; to the Committee on Government Operations.

H. R. 10051. An act making appropriations for mutual security for the fiscal year ending June 30, 1955, and for other purposes; to the Committee on Appropriations.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 259) to provide for the Joint Committee on Tin, was referred jointly to the Committees on Banking and Currency, and Armed Services, as follows:

Resolved by the House of Representatives (the Senate concurring), That there is hereby established a joint congressional committee to be known as the Joint Committee on Tin (hereinafter referred to as the committee), to be composed of 14 members as follows:

(1) Seven Members of the Senate, four from the majority and three from the minority party, to be appointed by the President of the Senate; and

(2) Seven Members of the House of Representatives, four from the majority and three from the minority party, to be appointed by the Speaker of the House of Representatives.

A vacancy in the membership of the committee shall not affect the powers of the remaining members to execute the functions of the committee, and shall be filled in the same manner as the original selection. The committee shall elect a chairman and a vice chairman from among its members, one of whom shall be a Member of the Senate and the other a Member of the House of Representatives.

SEC. 2. It shall be the function of the committee to make the study and investigation determined necessary by section 1 (c) of Public Law 125, 80th Congress, which provides "It is necessary in the public interest and to promote the common defense that Congress make a thorough study and investigation regarding the advisability of the maintenance on a permanent basis of a domestic tin smelting industry and to study the availability of supplies of tin adequate to meet the industrial, military, and naval requirements of the Nation in time of national emergency."

SEC. 3. The committee shall report to the Senate and House of Representatives not later than January 3, 1955, the results of its study and investigation, together with such recommendations as to necessary legislation and such other recommendations as it may deem advisable.

SEC. 4. The committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places, to require by subpoena (to be issued under the signature of the chairman or vice chairman of the committee) or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable.

SEC. 5. The committee is authorized to appoint, without regard to the Classification Act of 1949, as amended, fix the compensation of such experts, consultants, technicians, and organizations thereof, and clerical and stenographic assistants as it deems necessary and advisable.

The expenses of the committee, which shall not exceed \$50,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers signed by the chairman or vice chairman. Disbursements to pay such expenses shall be made by the Clerk of the House of Representatives out of the contingent fund of the House of Representatives, such contingent fund to be reimbursed from the contingent fund of the Senate in the amount of one-half of disbursements so made without regard to any other provision of law.

The committee is authorized, with the consent of the head of the department or agency concerned, to utilize the services, information, facilities, and personnel of all agencies in the executive branch of the Government in connection with its study and investigation.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. CARLSON:

Remarks by Dr. Gabriel Hauge, Administrative Assistant to the President for Economic Affairs, delivered on July 14, 1954.

By Mr. BUSH:

Three articles and editorial on the atomic-energy bill published in recent editions of the Washington Evening Star.

By Mr. WILEY:

Editorial entitled "How Congress Can Help the FBI," dealing with antisubversive legislation, published in a recent issue of the Washington Star.

CONSERVATION OF WATER RESOURCES—RECONSIDERATION OF VOTE

Mr. KNOWLAND. Mr. President, typographical errors in the amendments of the House of Representatives to the bill (S. 3137) to make the provisions of the act of August 28, 1937, relating to the conservation of water resources in the arid and semiarid areas of the United States, applicable to the entire United States, and to increase and revise the limitation on aid available under the provisions of the said act, and for other purposes, and which were concurred in by the Senate, make it necessary to reconsider the vote by which the amendments were agreed to. Last night at the request of the Senator from Vermont [Mr. Aiken], the chairman of the Agriculture Committee, the amendments of the House were concurred in. However, in the enrollment of the bill it was found that a comma had been left out in one line and the word "improvement" rather than "improved" in another House amendment. In order to clear the Record, I enter a motion to reconsider the vote by which the House amendments were concurred in.

Mr. FULBRIGHT. Reserving the right to object, the majority leader spoke to me about this bill and explained the

nature of the changes, and I have no objection.

The PRESIDENT pro tempore. The motion is entered.

Mr. KNOWLAND. Mr. President, I now move that the House be requested to return the message of the Senate announcing its action on the House amendments.

The PRESIDENT pro tempore. The question is on the motion of the Senator from California.

The motion was agreed to.

NEW STANDARDS FOR EXERCISE OF JURISDICTION BY NATIONAL LABOR RELATIONS BOARD

Mr. GOLDWATER. Mr. President, the NLRB has been in the process of revising its jurisdictional standards, and they have made two important announcements regarding this—one on July 1 and a subsequent announcement on July 15.

As a result of the Board's studies, they have decided that there are hundreds of businesses within the boundaries of each State that should not come under the jurisdiction of the Board but should come under the jurisdiction of the State. This is a proper and long overdue recognition of the rights of the States in the matters of labor-management relations. Congress never intended either the Wagner Act or the Taft-Hartley Act to preempt State laws in this field. In spite of this, however, the Federal Government has consistently injected itself into the labor-management relations of the States.

The Supreme Court has clearly asked Congress to express itself in this regard, and it was with this intent that I introduced an amendment to the Taft-Hartley Act during this session of Congress that would clearly recognize the inherent rights of the States in this area. Unfortunately this amendment suffered defeat when the President's labor program was defeated by the Democrats in the Senate. This issue is not dead, however, as is indicated by the recognition of the rights of the States by the NLRB and the rising tide of concern over the injection of the Federal Government into the everyday life of the communities and States of America. This trend must be stopped if our Republic is to continue its free constitutional way.

Mr. President, I ask unanimous consent that an announcement by the National Labor Relations Board, dated July 15, 1954, be printed at this point in my remarks.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

NLRB ANNOUNCES NEW STANDARDS FOR EXERCISE OF JURISDICTION

The National Labor Relations Board today established new standards for determining whether the Board will take jurisdiction over cases involving retail stores, utility companies, transit systems, radio and television stations, newspapers, certain types of interstate companies, industrial service companies, and companies engaged in national defense work.

The Board indicated that these changes will substantially complete the revision of its jurisdictional standards.

The Board also announced that it will no longer take cases involving public restaurants.

The Board has discretion to decide in which cases, of those affecting interstate commerce, it will exercise jurisdiction.

The standards announced today are in addition to the new standards announced by the Board June 30, 1954. Those announced today also modify earlier standards adopted by the Board in October 1950. The changes announced today follow:

A. For retail stores, the Board established two standards—one to govern in cases involving stores operating entirely within one State and the other to govern in cases involving chainstores operating in more than one State. The new standards are:

(1) A single independent retail store or a chain of stores operating entirely within one State will not come under the Board's jurisdiction unless the store involved in the case has—

(a) purchases amounting to at least \$1 million a year coming to it directly from outside the State, or

(b) purchases of \$2 million a year coming to it indirectly from outside the State, or

(c) if the store ships \$100,000 worth of merchandise into other States.

(2) A store which is part of a chain operating in more than one State will come under Board jurisdiction if—

(a) the store meets either of the standards listed in (1) for intrastate stores, or

(b) the gross sales of the chain amount to \$10 million or more per year.

(The former standards for stores were \$500,000 a year direct purchases or \$1 million indirect purchases, or \$25,000 a year sales made outside the State.)

B. The Board announced that it would assert jurisdiction over radio and television stations only if their gross revenue amounts to at least \$200,000 a year, and newspapers only if their gross revenue amounts to at least \$500,000 a year.

(The former standards placed no limit on jurisdiction of broadcasting stations or newspapers if their operations affected interstate commerce.)

C. As to utility companies, such as power, gas, and water companies, and intrastate public transit systems, the Board announced that it would assert jurisdiction over such companies only if the company does a gross business of \$3 million a year or more.

Interstate transit systems will come under Board jurisdiction if their gross revenue from interstate operations amounts to at least \$100,000 a year. (The Board does not have jurisdiction of railroads and airlines.)

(The Board formerly took jurisdiction of all utility and transit systems whose operations affected interstate commerce.)

D. Companies engaged in business related to the national defense will come under Board jurisdiction when their business meets three tests:

(a) The goods or services supplied relate directly to the national defense.

(b) Such goods or services are furnished pursuant to a Government contract.

(c) Value of these goods or services amounts to at least \$100,000 a year.

To come within the Board's jurisdiction, such companies must meet all three tests, the Board announced.

(The Board formerly took jurisdiction of any company doing any work "affecting" national defense.)

E. Jurisdiction over multi-State enterprises, other than retail and service establishments, will be governed by the following tests:

(1) To qualify, the plant involved must meet the outflow tests (\$50,000 a year in direct outflow or \$100,000 a year in goods furnished to an interstate company) or the inflow tests (\$500,000 a year in purchases coming to it directly from outside the State

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5. NOMINATION. Confirmed the nomination of Herbert Davis Vogel to be a member of the Board of Directors of TVA (p. 13300). Sen. Morse spoke in opposition to this nomination (pp. 13412-3).
6. MEXICAN FENCE. Discussed, and placed at foot of the calendar, S. 114, authorizing appropriations for construction, operation, and maintenance of the Mexican western land boundary fence project (p. 13376).
7. FORESTRY. Discussed and passed over S. 620 and H. R. 1254, which authorize the issuance by Federal agencies of permits, leases, or easements to States or local governments for periods not to exceed 30 years, on lands within their respective jurisdictions (pp. 13403-4).
8. AGRICULTURAL INVESTIGATIONS. Agreed to S. Res. 304, to provide \$12,000 additional for the Agriculture and Forestry Committee for an investigation of various matters related to agricultural programs (S. Rept. 2450) (p. 13301).
9. EDUCATION. Passed without amendment H. R. 9888, to extend the period during which the education and training benefits of the Korean-conflict GI bill of rights may be available (p. 13356). This bill will now be sent to the President.
10. FORESTRY. Passed without amendment H. R. 6393, consenting to an interstate forest-fire protection compact among south central States (p. 13357). This bill will now be sent to the President.
11. RECLAMATION. Passed without amendment H. R. 8520, to include the Ainsworth, Lavaca Flats, Mirage Flats Extension, and O'Neill irrigation developments in the Missouri Basin project, and H. R. 8384, to authorize the Talent division of the Rogue River Basin project, Oreg. (pp. 13373, 13394, 13402). These bills will now be sent to the President.
12. WATER RESOURCES. Passed without amendment H. R. 2843, authorizing the Interior Department to investigate and report to Congress on the water resources of Hawaii (p. 13396). This bill will now be sent to the President.
13. FORESTRY. Passed as reported S. 3773, to authorize reciprocal fire-protection agreements between Government departments and agencies and public or private organizations engaged in fire-fighting activities (p. 13373).
14. PERSONNEL. Passed with amendments H. R. 7774, to increase the pay of classified, postal, and other Federal employees; and then agreed to a request by Sen. Knowland that the vote be reconsidered (pp. 13334-7).
15. MEXICAN FARM LABOR. The Judiciary Committee reported with amendments S. 3660, to make the employment, and related practices, of any alien known by an employer to have entered the U. S. illegally within 3 years thereof unlawful (S. Rept. 2451), and S. 3661, to provide for the seizure and forfeiture of any vessel or vehicle used in the transportation of any alien known by the owner thereof to have entered the U. S. illegally within 3 years (S. Rept. 2452) (p. 13300).

16. COMMODITY CREDIT CORPORATION. The Agriculture and Forestry Committee reported without amendment H. R. 9756, to increase the borrowing power of CCC from \$8.5 billion to \$10 billion (S. Rept. 2470) (p. 13301).
17. EDUCATION. Passed with amendment H. R. 1797, to provide for conveyance by the Interior Department of a tract of land to the Okla. A&M College (p. 13374).
18. PERSONNEL; RETIREMENT. Passed without amendment S. 3627, to amend the Civil Service Retirement Act so as to tighten up several "loopholes" (p. 13377).
19. TRAVEL. Passed with amendment S. 3200, to amend section 3 of the Travel Expense Act of 1949, as amended, so as to increase the maximum per diem allowance for subsistence and travel by Federal employees from \$9 to \$12 (p. 13401).
20. SOIL CONSERVATION. Passed as reported S. 3774, to extend the benefits of the Watershed Protection and Flood Prevention Act to Alaska, Hawaii, Puerto Rico, and the Virgin Islands (p. 13374).
21. VIRGIN ISLANDS. Passed as reported S. 3800, to restore the USDA animal-poultry inspection authority, regarding imports into the Virgin Islands, on a modified basis (p. 13357).
22. PERSONNEL. Passed as reported S. 19, to suspend the running of the statute of limitations applicable to offenses involving performance of official duties by Government officers and employees during periods of Government service (p. 13371).
23. EDUCATION. Passed as reported S. 3629, to amend Public Law 874, 81st Cong., so as to postpone the effective date of the 3 percent "absorption" requirement of school districts in areas affected by Federal activities for 1 additional year (through June 30, 1955) (pp. 13371-2).
Passed as reported S. 3628, to amend Public Law 815, 81st Cong., so as to extend for 3 additional years the program of Federal assistance for school construction under title III thereof (p. 13371).
24. FLAMMABLE FABRICS. Concurred in the House amendments to S. 3379, to exempt from the Flammable Fabrics Act certain fabrics which are not highly flammable (p. 13472). This bill will now be sent to the President.
25. STOCKPILING. Passed as reported S. 3585, to amend the Strategic and Critical Materials Stockpiling Act so as to provide "that any gem diamonds constituting a part of the stockpile may be exchanged for industrial diamonds of a like value" (pp. 13370-1). The committee report explains that a firm has offered to make such an exchange and has agreed to purchase wheat of the same value from the proceeds of its sale of the gem stones acquired by the exchange.
26. DEBT LIMIT. Discussed and passed over H. R. 6672, to increase the public debt limit (p. 13376).
27. PATENTS. Discussed and passed over, upon the objection of Sen. Hendrickson, H. R. 3534, to authorize the extension of patents covering inventions whose practice was prevented or curtailed during service by the patent owner in the Armed Services or by production controls (pp. 13379-80).

Pension increase to veterans and dependents under H. R. 9962—Continued

	Existing rates	H. R. 9962	Number affected	Estimated first year's cost
WORLD WAR I, WORLD WAR II, AND KOREAN CONFLICT—Continued				
Dependents			310,000 cases	\$9,257,000
Widow, no child	\$18.00	\$50.40		
Widow and 1 child	60.00	63.00		
Each additional child	7.20	7.56		
Children where there is no widow:				
1 child	26.00	27.30		
2 children (equally divided)	39.00	40.95		
3 children (equally divided)	52.00	54.60		
Each additional child (total equally divided)	7.20	7.56		
SPANISH-AMERICAN WAR				
Veterans			61,800 veterans	3,707,000
90 days' or more service:				
1/4 disability or more	96.75	101.59		
Age 62 or over	129.00	135.45		
Aid and attendance				
70 through 89 days' service:				
1/4 disability or more	64.50	67.73		
Age 62 or over	83.85	88.04		
Aid and attendance				
Dependents			81,700 cases	2,564,000
Widow	51.60	54.18		
Widow who was wife of veteran during service	64.50	67.73		
Additional for each child	7.74	8.13		
Children where there is no widow:				
1 child (to age 16)	59.34	62.31		
Each additional child (to age 16), total equally divided	7.74	8.13		
1 child (age 16 or over)	26.00	27.30		
2 children (age 16 or over) equally divided	39.00	40.95		
3 children (age 16 or over) equally divided	52.00	54.60		
Each additional child (age 16 or over), total equally divided	7.20	7.56		

It is estimated that the enactment of H. R. 9962 would affect approximately 544,700 veterans and 399,100 cases of deceased veterans during the first year, at an additional cost of approximately \$35,958,000.

I am glad that we are considering legislation to provide these increases. The economic readjustments in recent years have been a particular hardship to our veterans whose rates of compensation have often lagged far behind the cost of living and the adjustments which were made for other segments of our population. It is my hope that the Senate will approve both of these bills.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

EXTENSION OF COVERAGE OF SERVICEMEN'S INDEMNITY ACT TO RESERVE OFFICERS' TRAINING CORPS

The bill (H. R. 5314) to extend the coverage of the Servicemen's Indemnity Act to members of the Reserve Officers' Training Corps when ordered to active training duty for periods in excess of 14 days was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, may we have an explanation of this bill?

Mr. MILLIKIN. Mr. President, the purpose of the proposed legislation is to extend coverage under the Servicemen's Indemnity Act of 1951, effective April 25, 1951, to members of the Army Reserve Officers' Training Corps, the Naval Reserve Officers' Training Corps, and the Air Force Reserve Officers' Training Corps, when called or ordered to active duty for 14 days or more. Thus, in the event of death of a member of any of these training corps while on such active training duty, his beneficiary would be entitled to \$10,000 free indemnity insurance.

In addition to providing indemnity coverage, the bill extends to members of

these training corps the right to apply for national service life insurance within 120 days after separation from active training duty of more than 30 days.

Mr. HENDRICKSON. Does not the Senator think that this will establish an undesirable precedent?

Mr. MILLIKIN. I do not think so.

Mr. GOLDWATER. Mr. President, will the Senator from Colorado yield?

Mr. MILLIKIN. I yield.

Mr. GOLDWATER. Will the Senator state whether the bill covers National Guard men also?

Mr. MILLIKIN. They are already covered under the law.

Mr. GOLDWATER. Does it include Air National Guard men also?

Mr. MILLIKIN. All guardsmen are covered.

Mr. GOLDWATER. They are presently covered?

Mr. MILLIKIN. Yes.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill (H. R. 5314) was considered, ordered to a third reading, read the third time, and passed.

BILL AND RESOLUTION PASSED OVER

The bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code, so as to extend coverage under the Old-Age and Survivors' Insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, was announced as next in order.

Mr. SMATHERS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 288) to make certain funds available to the Committee on Government Operations was announced as next in order.

Mr. SMATHERS. Over.

The PRESIDING OFFICER. The resolution will be passed over.

PRINTING OF PRAYERS OF CHAPLAIN OF THE SENATE

The resolution (S. Res. 294) to print the prayers of the Chaplain of the Senate was considered and agreed to, as follows:

Resolved, That 3,000 copies of the prayers offered by the Reverend Frederick Brown Harris, Doctor of Divinity, Chaplain of the Senate, at the opening of the daily sessions of the Senate during the 81st, 82d, and 83d Congresses, inclusive, be printed and bound for the use of the Senate.

ADDITIONAL FUNDS FOR THE COMMITTEE ON BANKING AND CURRENCY

The Senate proceeded to consider the resolution (S. Res. 289) to provide additional funds for the Committee on Banking and Currency, which had been reported from the Committee on Rules and Administration with amendments, on page 1, line 12, after the word "exceed", to strike out "\$150,000" and insert "\$75,000"; and on page 2, line 2, after the word "purposes", to insert "pursuant to Senate Resolution 229, agreed to April 23, 1954", so as to make the resolution read:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by section 134 (a) of the Legislative Reorganization Act of 1946 and pursuant to its jurisdiction under rule XXV (1) (d) 4 of the Standing Rules of the Senate, the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized until January 31, 1955, to make such expenditures, and to employ upon a temporary basis such investigators, and such technical, clerical, and other assistants, as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed \$75,000 (in addition to amounts heretofore

made available for such purposes pursuant to S. Res. 229, agreed to April 23, 1954), shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The amendments were agreed to.

The resolution, as amended, was agreed to.

STUDY OF ANTITRUST LAWS—RESOLUTION PASSED OVER

The resolution (S. Res. 14) authorizing a study of the antitrust laws of the United States, and administration, interpretation, and effect, was announced as next in order.

Mr. GORE. Over.

Mr. MAGNUSON. With regard to Calendar 2008, Senate Resolution 14, I am wondering if the objector would inform the Senate whether the objection is by request. What is the reason for the objection?

Mr. GORE. It is by request.

Mr. MAGNUSON. Reserving the right to object, Mr. President—and I shall not object—this is a very important investigation which is now going on, involving the question of monopoly and antitrust laws. It also involves the question of the misuse of monopoly and the question of power and matters of that sort.

I had hoped that the objector might allow this resolution to go to the foot of the calendar, instead of going over, so that we might be able to get the matter settled. It has been hanging fire for a long time, as I think the Senator from Nevada [Mr. McCARRAN] will agree. We would like to have the resolution adopted, so that we can get started on this matter.

Mr. GORE. Mr. President, the members of the Calendar Committee have as their prime function the registration of objections on the part of their colleagues. I have been requested to object to the consideration of this resolution. Unless that request is withdrawn, I am not in a position to have the resolution considered.

Mr. MAGNUSON. May I make a suggestion to the Senator from Tennessee? If he will allow this resolution to go to the foot of the calendar, I might ask who the objector is, and I might be able to talk to him.

Mr. GORE. I am not going to say in which direction I have been looking; but I see a certain Senator shaking his head to indicate "No," so I will have to insist that it go over.

The PRESIDING OFFICER. The resolution will go over.

Mr. MAGNUSON. I will say the Senator from Tennessee was not looking behind him.

Mr. HAYDEN. Mr. President, will the Senator from Tennessee withhold his objection for a moment?

Mr. GORE. I withhold the objection.

Mr. HAYDEN. The amount of money involved in the resolution is comparatively small. It is understood that there will be cooperation with the Department of Justice, which is also investigating this same subject matter. It would seem to me that the Judiciary Committee ought to study this subject, along with the Department of Justice. I hope some arrangement can be made.

Mr. MAGNUSON. The amount involved, as I have been informed by the distinguished Senator from Nevada [Mr. McCARRAN], is \$35,000. This is a very important matter. It involves the whole power question, and many other questions of antimonopoly which I think have been sadly neglected at the other end of the avenue.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. GORE. Over.

The PRESIDING OFFICER. The resolution will go over.

Mr. MAGNUSON. Is the objection by request?

Mr. GORE. It is by request.

AMENDMENT OF INTERNAL REVENUE CODE—BILL PASSED OVER

The bill (H. R. 5407) to amend section 2879 (b) of the Internal Revenue Code was announced as next in order.

Mr. SMATHERS. Over.

The PRESIDING OFFICER. The bill will be passed over.

TEN PERCENT INCREASE PENSIONS FOR SPANISH WAR VETERANS AND TOTALLY DISABLED OTHER WARS

Mr. MALONE subsequently said: Mr. President, may I ask the distinguished Senator from Florida to withhold his objection to Calendar 2009, H. R. 5407, so that I may make a statement and request?

The PRESIDING OFFICER. The Chair advises the Senator from Nevada that unanimous consent must be obtained in order to return to the consideration of the bill.

Mr. HENDRICKSON. Mr. President, I shall have to object, because I have been insisting all along that such bills go to the foot of the calendar, and then to be heard in their turn.

Mr. MALONE. That is the request I now make. I ask that Calendar No. 2009, H. R. 5407, go to the foot of the calendar to be called again at that time.

Mr. President, this bill merely provides for a 10 percent increase in pensions for non-service-connected cases, which include Spanish-American war veterans, average age of approximately 78 years and for World War I and II and Korea which are totally disabled and widows of such deceased veterans.

The PRESIDING OFFICER. Without objection, the bill will go to the foot of the calendar.

INCREASE OF COMPENSATION OF CLASSIFIED, POSTAL, AND OTHER GOVERNMENT EMPLOYEES—BILL PASSED TO FOOT OF CALENDAR

The Senate proceeded to consider the bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes, which had been reported from the Committee on Post Office and Civil Service with an amendment, to strike out all after the enacting clause and insert:

TITLE I—EMPLOYEES GENERALLY

Sec. 101. (a) Section 603 (b) and section 603 (c) of the Classification Act of 1949, as amended, are amended to read as follows:

"(b) The compensation schedule for the General Schedule shall be as follows:

Grade	Per annum rates							
	\$2,750	\$2,830	\$2,910	\$2,990	\$3,070	\$3,150		
1.....	\$2,670	3,000	3,080	3,160	3,240	3,320	3,400	
2.....	2,920	3,200	3,280	3,360	3,440	3,520	3,600	
3.....	3,120	3,425	3,505	3,585	3,665	3,745	3,825	
4.....	3,345	3,705	3,830	3,955	4,080	4,205	4,330	
5.....	3,580	4,110	4,235	4,360	4,485	4,610	4,735	
6.....	3,985	4,415	4,540	4,665	4,790	4,915	5,040	
7.....	4,415	4,850	4,975	5,100	5,225	5,350	5,475	
8.....	4,850	5,440	5,565	5,690	5,815	5,940	6,065	
9.....	5,315	5,900	6,025	6,150	6,275	6,400	6,525	
10.....	5,775	6,235	6,435	6,635	6,835	7,035	7,235	
11.....	6,235	7,590	7,790	7,990	8,190	8,390		
12.....	7,300	8,980	9,180	9,380	9,580	9,780		
13.....	8,780	10,040	10,240	10,440	10,640	10,840	11,040	
14.....	10,040	11,240	11,490	11,740	11,990	12,240		
15.....	11,240	12,440	12,640	12,840	13,040	13,240		
16.....	12,440	13,440	13,640	13,840	14,040	14,240		
17.....	13,440	14,800						
18.....	14,800							

"(c) (1) The compensation schedule for the Crafts, Protective, and Custodial Schedule shall be as follows:

Grade	Per annum rates							
	\$2,040	\$2,100	\$2,160	\$2,220	\$2,280	\$2,340		
1.....	2,590	2,660	2,730	2,800	2,870	2,940	3,010	
2.....	2,722	2,802	2,882	2,962	3,042	3,122	3,202	
3.....	2,920	3,000	3,080	3,160	3,240	3,320	3,400	
4.....	3,144	3,224	3,304	3,384	3,464	3,544	3,624	
5.....	3,370	3,450	3,530	3,610	3,690	3,770	3,850	
6.....	3,605	3,705	3,805	3,905	4,005	4,105	4,205	
7.....	3,925	4,050	4,175	4,300	4,425	4,550	4,675	
8.....	4,360	4,485	4,610	4,735	4,860	4,985	5,110	
9.....	4,795	4,920	5,045	5,170	5,295	5,420	5,545	

"(2) Charwomen working part time shall be paid at the rate of \$2,870 per annum, and head charwomen working part time at the rate of \$3,010 per annum."

(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

(1) If the employee is receiving a rate of basic compensation immediately prior to the effective date of this section at one of the scheduled or longevity rates provided by the Classification Act of 1949, as amended, he

shall receive a rate of basic compensation at the corresponding scheduled or longevity rate in effect on and after such date;

(2) If the employee is receiving a rate of basic compensation immediately prior to the effective date of this section at a rate between two scheduled or two longevity rates, or between a scheduled rate and a longevity rate, provided by the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the higher of the two corresponding rates in effect on and after such date;

(3) If the employee, immediately prior to the effective date of this section, is in a position in any one of the first 10 grades of the General Schedule or in any one of the grades of the Crafts, Protective, and Custodial Schedule, and is receiving a rate of basic compensation in excess of the maximum longevity rate of his grade as provided in this section, he shall continue to receive basic compensation without change in rate until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with such act, as amended;

(4) If the employee, immediately prior to the effective date of this section, is in a position in grade 11, 12, 13, 14, or 15 of the General Schedule, and is receiving a rate of basic compensation in excess of the maximum scheduled rate of his grade as provided in this section, he shall continue to receive basic compensation without change in rate until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with such act, as amended.

SEC. 102. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed pursuant to section 62 (2) of the Bankruptcy Act (11 U. S. C. 102 (a) (2)), section 3656 of title 18 of the United States Code, the second and third sentences of section 603, section 604 (5), or sections 672 to 675, inclusive, of title 28 of the United States Code, are hereby increased by 5 percent, except that no such rate shall be increased by more than \$440 per annum or less than \$170 per annum.

(b) The limitations of \$10,560 and \$14,355 with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges, contained in the paragraph under the heading "Salaries of Supporting Personnel" in the Judiciary Appropriation Act, 1955, or in any subsequent appropriation act, shall be increased by the amounts necessary to pay the additional basic compensation provided by this act.

SEC. 103. (a) Each officer and employee in or under the legislative branch of the Government (other than an employee in the office of a Senator) whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946 shall be paid additional compensation at the rate of 5 percent of the aggregate rate of his rate of basic compensation and the rate of the additional compensation received by him under sections 501 and 502 of the Federal Employees Pay Act of 1945, as amended, section 301 of the Postal Rate Revision and Federal Employees Salary Act of 1948, the provisions under the heading "Increased pay for legislative employees" in the Second Supplemental Appropriation Act, 1950, and the act of October 24, 1951 (Public Law 201, 82d Cong.) except that no such officer or employee shall be paid additional compensation at a rate less than \$170 per annum or in excess of \$440 per annum.

(b) Section 2 (b) of the act of October 24, 1951 (Public Law 201, 82d Cong.) is amended by striking out "\$11,646" and inserting in lieu thereof "\$12,086."

(c) (1) The aggregate amount of the basic compensation authorized to be paid for administrative and clerical assistance and messenger service in the offices of Senators is hereby increased by—

(A) \$2,160 in the case of Senators from States the population of which is less than 3 million;

(B) \$2,400 in the case of Senators from States the population of which is 3 million or more but less than 5 million;

(C) \$3,120 in the case of Senators from States the population of which is 5 million or more but less than 10 million; and

(D) \$3,180 in the case of Senators from States the population of which is 10 million or more.

(2) The second proviso in the paragraph relating to the authority of Senators to rearrange the basic salaries of employees in their respective offices, which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U. S. C. 60f), is amended by striking out "\$5,290" and inserting in lieu thereof "\$6,180"; by striking out "\$7,320" and inserting in lieu thereof "\$7,620"; and by striking out "\$8,400" and inserting in lieu thereof "\$8,640."

(d) The rates of basic compensation of each of the elected officers of the Senate and the House of Representatives (not including the presiding officers of the two Houses), the Parliamentarian of the Senate, the Parliamentarian of the House of Representatives, the legislative counsel of the Senate, the legislative counsel of the House of Representatives, and the coordinator of information of the House of Representatives are hereby increased by 5 percent, except that no such rate shall be increased by more than \$440 per annum or less than \$170 per annum.

(e) (1) The provisions of subsection (a) shall not apply to employees whose compensation is paid from the appropriation contained in the paragraph designated "Folding documents" under the heading "Contingent Expenses of the Senate" in the Legislative Branch Appropriation Act, 1955 (Public Law 470, 83d Cong.)

(2) The limitations in the paragraph designated "Folding documents" under the heading "Contingent Expenses of the House" in the Legislative Appropriation Act, 1955 (Public Law 470, 83d Cong.), are hereby increased by 5 percent.

(f) The Official Reporters of the proceedings of the debates of the Senate and their employees shall be considered to be officers or employees in or under the legislative branch of the Government within the meaning of subsection (a) and the provisions of law referred to in such subsection.

(g) The additional compensation provided by subsection (a) and the provisions of law referred to in such subsection shall be considered a part of basic compensation for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended.

SEC. 104. Section 66 of the Farm Credit Act of 1933 (48 Stat. 269) is hereby amended to read as follows:

"Sec. 66. No director, officer, or employee of the Central Bank for Cooperatives, or of any production credit corporation, production credit association, or bank for cooperatives shall be paid compensation at a rate in excess of \$14,240 per annum."

SEC. 105. (a) The rates of basic compensation of officers and employees in the Department of Medicine and Surgery in the

Veterans' Administration whose rates of basic compensation are provided by Public Law 293, 79th Congress, approved January 3, 1946, as amended, are hereby increased by 5 percent, except that no such rate shall be increased by more than \$440 per annum or less than \$170 per annum.

(b) Section 8 (d) of Public Law 293, 79th Congress, as amended, is amended by striking out "\$12,800" and in lieu thereof "\$13,240."

SEC. 106. The rates of basic compensation provided by sections 412 and 415 of the Foreign Service Act of 1946, as amended, are hereby increased by 5 percent, except that no such rate shall be increased by more than \$440 per annum or less than \$170 per annum.

SEC. 107. The rate of basic compensation of the Treasurer of the United States shall be at the maximum scheduled rate of the highest grade established by the Classification Act of 1949, as amended.

SEC. 108. Notwithstanding any other provisions of this act, no rate of compensation which is \$14,800 or more per annum shall be increased by this act, and no rate of compensation shall be increased by this act to an amount in excess of \$14,800 per annum.

SEC. 109. Section 3 of the Travel Expense Act of 1949 (63 Stat. 166, as amended; 5 U. S. C. 836) is amended by striking out "\$9" and inserting in lieu thereof "\$12."

SEC. 110. This title shall take effect on the first day of the first pay period which begins after the date of its enactment.

TITLE II—POSTAL EMPLOYEES

SEC. 201. It is the sense of the Congress that—

(1) it is both necessary and desirable that an equitable system should be established for the classification of positions and the determination of salaries of postmasters, officers, and employees in the field service of the Post Office Department; and

(2) such classification and salary system should be established after a study of all problems relating thereto conducted by a commission composed of representatives of the Congress, the Post Office Department, and postal employees, and through the enactment of appropriate legislation pursuant to recommendations submitted to the Congress by such commission following the completion of such study.

SEC. 202. (a) The rates of basic compensation, other than rates referred to in subsection (b) of this section, of postmasters, officers, and employees in the postal field service whose rates of compensation are prescribed by the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945 (Public Law 134, 79th Cong.), as amended, are hereby increased by 5 percent except that no such rate shall be increased by more than \$440 or less than \$200 per annum.

(b) (1) That part of the compensation schedule headed "Grades and Salaries of Employees in the Automatic Grades" and contained in section 11A of such act of July 6, 1945 (Public Law 134, 79th Cong.), as amended, which provides hourly rates of compensation, is amended to read as follows:

"Hourly rates

"Clerks in post offices of the 3d class; carriers in village delivery service; Charwomen and charwomen.....	\$1.435	\$1.485	\$1.54	\$1.59					
Mail handlers, messengers, watchmen; operators of the pneumatic tube service; garagemen-drivers.....	1.495	1.65							
Special delivery messengers in post offices of the 1st class.....	1.645	1.695	1.75	1.80					
Clerks; carriers in city delivery service; driver mechanics; general mechanics; dispatchers of the pneumatic tube service.....	1.645	1.695	1.75	1.80	\$1.855	\$1.905	\$1.96		
Postal transportation clerks.....	1.695	1.75	1.80	1.855	1.905	1.96	2.01	\$2.065	\$2.115
Special mechanics.....	1.80	1.855	1.905	1.96	2.01	2.065	2.115		
	2.02								

(2) The rates of basic compensation of postmasters at post offices of the fourth class are hereby increased by 5 percent.

(3) The rates of fixed compensation per annum of rural carriers are hereby increased by 5 percent except that no such rate shall be increased by more than \$440 or less than \$200 per annum.

(c) This section shall not apply to skilled-trades employees of the mail-equipment shops, job cleaners in first- and second-class post offices, and employees who are paid on a fee or contract basis.

(d) The increases in rates of basic compensation provided by this section shall not apply to longevity salary increases.

Sec. 203. Section 16 (r) of such act of July 6, 1945 (Public Law 134, 79th Cong.), as amended, which relates to travel allowances for employees in the Postal Transportation Service who are assigned to road duty, is amended by striking out "\$6 per day" and inserting in lieu thereof "\$9 per day."

Sec. 204. Any increase in rate of basic compensation by reason of the enactment of this title shall not be considered as an "equivalent increase" in compensation within the meaning of section 701 or the Classification Act of 1949, as amended, in the case of postmasters, officers, and employees in the postal field service who transfer or are transferred to positions within the purview of the Classification Act of 1949, as amended.

Sec. 205. In the exercise of the authority granted by section 81 of title 2 of the Canal Zone Code, as amended, the Governor of the Canal Zone is authorized to grant, as of the effective date of this section, additional compensation to postal employees of the Canal Zone Government, based on the additional compensation granted by this act to similar employees in the field service of the Post Office Department of the United States.

Sec. 206. This act shall have the same force and effect within Guam as within other possessions of the United States.

Sec. 207. (a) Section 7 of the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes", approved July 6, 1945 (Public Law 134, 79th Cong.), as amended, is amended to read as follows:

"Method of payment"

"Sec. 7. (a) The compensation of postmasters and per annum rate employees shall be paid in 26 instalments. Each such instalment shall be the compensation for a pay period of 2 weeks. The compensation of hourly rate substitute employees and other hourly rate employees shall be computed for each pay period of 2 weeks on the basis of the number of hours of work performed by such employees during such pay period.

"(b) To compute an hourly rate for postmasters and per annum rate employees, the per annum rate shall be divided by 2080.

"(c) To compute a daily rate for postmasters and per annum rate employees, the hourly rate shall be multiplied by the number of daily hours of service required.

"(d) Subsections (b) and (c) of this section shall not apply to carriers in the rural delivery service. Whenever, for pay computation purposes, it is necessary to convert the basic annual rate of compensation of carriers in the rural delivery service to a basic daily or biweekly rate, the following rules shall govern:

"(1) An annual rate shall be divided by 312 to derive a daily rate.

"(2) A daily rate shall be multiplied by 12 to derive a biweekly rate.

"(e) All rates shall be computed to the nearest cent, counting one-half cent and over as a whole cent.

"(f) When a pay period for any postmaster or employee begins in one fiscal year and ends in another fiscal year, the gross amount of the earnings of such postmaster or em-

ployee for such pay period may be regarded as a charge against the appropriation or allotment current at the end of such pay period."

(b) Section 8 of such act of July 6, 1945, as amended, is amended by adding at the end thereof a new subsection (d) to read as follows:

"(d) The salaries of postmasters, assistant postmasters, and supervisors paid under the provisions of this section shall be readjusted at the beginning of the first complete pay period in each fiscal year."

(c) Section 9 (b) of such act of July 6, 1945, as amended, is amended by adding at the end thereof a new sentence to read as follows: "The salaries of superintendents and assistant superintendents of classified stations shall be readjusted at the beginning of the first complete pay period in each fiscal year."

(d) Section 11A of such act of July 6, 1945, as amended, is amended by striking out "and shall be promoted successively at the beginning of the quarter following one year's satisfactory service in each grade to the next higher grade until they reach the top automatic grade" and by inserting in lieu thereof "and shall be promoted successively at the beginning of the first complete pay period following 52 weeks of satisfactory service in each grade to the next higher grade until they reach the top automatic grade."

(e) Section 13 of such act of July 6, 1945, as amended, is amended by adding immediately after subsection (a) thereof a new subsection (b) to read as follows:

"(b) The salaries of employees paid under the provisions of this section shall be readjusted at the beginning of the first complete pay period in each fiscal year."

(f) Section 14 of such act of July 6, 1945, as amended, is amended by adding immediately after subsection (a) thereof a new subsection (b) to read as follows:

"(b) The salaries of employees paid under the provisions of this section shall be readjusted at the beginning of the first complete pay period in each fiscal year."

(g) That part of subsection (i) of section 14 of such act of July 6, 1945, as amended, which precedes the first proviso is amended to read as follows:

"(i) Temporary employees in the custodial service paid on an annual basis shall be paid at the rates of pay of grade 1 of the position in which employed and shall, at the beginning of the first complete pay period following 52 weeks of satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position; and temporary employees in the custodial service paid on an hourly basis shall be paid at the rates of pay of grade 1 of the position in which employed and shall, at the beginning of the first complete pay period following 52 weeks of satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position."

(h) Section 15 (b) of such act of July 6, 1945, as amended, is amended by striking out "and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade until they reach grade 8", and by inserting in lieu thereof "and shall be promoted successively at the beginning of the first complete pay period following 52 weeks of satisfactory service in each grade until they reach grade 8".

(i) That part of section 18 (f) of such act of July 6, 1945, as amended, which precedes the first proviso is amended to read as follows:

(i) That part of section 18 (f) of such act of July 6, 1945, as amended, which precedes the first proviso is amended to read as follows:

"(f) Each temporary employee in the mail equipment shops paid on an annual basis

shall be paid at the rate of pay of the lowest grade provided for a regular employee in the same type of position in which such temporary employee is employed, and shall, at the beginning of the first complete pay period following 52 weeks of satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position."

(j) The first section of the act of April 15, 1947 (Public Law 35, 80th Cong.), as amended, is amended by striking out "shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade" and by inserting in lieu thereof "shall be promoted successively at the beginning of the first complete pay period following 52 weeks of satisfactory service in each grade."

(k) All laws or parts of laws inconsistent with the amendments made by this section are hereby repealed or modified to the extent necessary to carry out the purposes of and conform to such amendments.

Sec. 208. (a) (1) There is hereby established a Commission on Postal Field Service Classification (hereinafter referred to as "the Commission") to be composed of (A) the chairman and ranking minority member of the Committee on Post Office and Civil Service of the Senate, (B) the chairman and ranking minority member of the Committee on Post Office and Civil Service of the House of Representatives, (C) the Postmaster General, (D) two officers or employees of the Post Office Department to be appointed by the President, and (E) two representatives of postal employee organizations to be appointed by the President.

(2) The Postmaster General shall be Chairman of the Commission. Vacancies in the membership of the Commission shall not affect the power of the remaining members to execute the functions of the Commission, and shall be filled in the same manner as the original selection. Five of the members of the Commission shall constitute a quorum for the transaction of business. The Commission shall fix the number of members who shall constitute a quorum for each subcommittee thereof.

(b) The Commission, acting as a whole or by subcommittee, shall conduct or cause to be conducted a thorough investigation and study for the purpose of developing a plan for the establishment of a uniform, integrated, and equitable classification and pay system for all postmasters, officers, employees, and positions in the postal field service.

(c) The Postmaster General is authorized to make available to the Commission such personnel, facilities, and services of the Post Office Department as may be necessary to enable it to perform its functions. The chairman of the Committee on Post Office and Civil Service of the Senate and the chairman of the Committee on Post Office and Civil Service of the House of Representatives are authorized to assign from time to time the members of the staffs of their respective committees to duties and responsibilities in connection with the operation of the Commission.

(d) The Commission shall report to the Senate and the House of Representatives, on or before March 1, 1955, the results of its study and investigation, together with such recommendations (including drafts of legislation to carry out such recommendations) as it deems advisable.

Sec. 209. Section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.), as amended, is hereby repealed.

Sec. 210. This title shall take effect as follows:

(1) Sections 206 and 208 and this section, shall take effect on the date of enactment of this act;

(2) Sections 202, 204, and 205 shall take effect on the first day of the first pay period

which begins after the date of enactment of this act;

(3) Sections 203 and 209 shall take effect on the first day of the first calendar month following the calendar month in which this act is enacted; and

(4) Section 207 shall take effect upon such date, not later than 90 days after the date of enactment of this act, as may be designated by the Postmaster General.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. HENDRICKSON. Mr. President, to the committee amendment I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from New Jersey to the committee amendment.

The LEGISLATIVE CLERK. On page 15, line 3, it is proposed to insert "(a)", immediately following "Section 109."; and on page 15, between lines 5 and 6, to insert the following:

(b) The proviso in the paragraph designated "Inquiries and investigations" under the heading "Contingent Expenses of the Senate" in the Legislative Appropriation Act, 1955, is amended by striking out "\$9" and inserting in lieu thereof "\$12."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey to the committee amendment.

The amendment to the amendment was agreed to.

Mr. CARLSON. Mr. President, to the committee amendment I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Kansas.

The LEGISLATIVE CLERK. In the committee amendment on page 13, before the period in line 13, it is proposed to insert a comma and the following: "and the provisions of section 2 (a) of the Federal Employees' Group Life Insurance Act of 1954."

Mr. CARLSON. Mr. President, I offer this amendment to take care of the Official Reporters of Debates of the Senate. I think all of us are agreed they have rendered outstanding service. They have been left out of the Federal insurance bill, and the amendment would include them in this particular bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

Mr. JOHNSTON of South Carolina. Mr. President, I think we ought to know what we are passing. This is the pay increase bill for postal and other Federal employees. I should like to call to the attention of the Senate the fact that the Democrats of the committee proposed a 10 percent and a 7 percent increase, and that both were defeated because of unanimous objection by the

Republicans on the committee. What is proposed here is a compromise 5 percent agreement. There is sufficient reason to pass this bill on the call of the calendar. Time is short and hasty action is mandatory. However, if I had known this bill would pass on the calendar call, I would have been prepared to offer some amendments to increase certain provisions. I hope this bill passes because pay increases are urgently needed by Government employees.

Mr. GORE. Reserving the right to object, the junior Senator from Tennessee understood that there was to be an amendment to this bill.

The PRESIDING OFFICER. The Senator from New Jersey [Mr. HENDRICKSON] and the Senator from Kansas [Mr. CARLSON] offered amendments which have been read, and acted upon by the Senate.

Mr. HENDRICKSON. Mr. President, before the bill is passed, I should like to say that the amendment offered by the Senator from New Jersey was on behalf of the distinguished Senator from North Dakota, who is absent today because of illness in his family.

The PRESIDING OFFICER. The question is on the engrossment of the amendment, and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to increase the rates of compensation of classified, postal, and other employees of the Government, and for other purposes."

Mr. KNOWLAND subsequently said: Mr. President, I ask unanimous consent that the vote whereby calendar 2010, H. R. 7774 was passed be reconsidered, and that the bill go to the foot of the calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the bill (H. R. 7774) will go to the foot of the calendar.

READJUSTMENT OF COMPENSATION OF HOLDERS OF CONTRACTS OF MAIL-MESSENGER SERVICE

The Senate proceeded to consider the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service, which had been reported from the Committee on Post Office and Civil Service with an amendment to strike out all after the enacting clause and insert:

TITLE I—AMENDMENTS TO CLASSIFICATION ACT OF 1949

Number of positions in grades 16, 17, and 18 of the General Schedule

SEC. 101. (a) Section 505 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 505. (a) No position shall be placed in grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission.

"(b) No position shall be placed in or removed from grade 18 of the General Schedule except by the President upon recommendation of the Commission.

"(c) At any one time there shall not be more than 400 positions in grade 16 of the General Schedule, not more than 115 positions in grade 17 of the General Schedule, and not more than 35 positions in grade 18 of the General Schedule.

"(d) Positions that may be established under the proviso of section 203 (b) (1) of the act of August 2, 1946 (60 Stat. 836), may be in addition to those authorized by the foregoing provisions of this section."

(b) The amendment made by subsection (a) shall not affect positions allocated to grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, pursuant to provisions of law (other than the Classification Act of 1949, as amended) and reorganization plans in effect prior to the effective date of this section.

Longevity step-increases

SEC. 102. (a) (1) Subsection (a) of section 703 of the Classification Act of 1949, as amended, is amended by striking out the words "change of grade or rate of basic compensation except such change as may be prescribed by any provision of law of general application" and inserting in lieu thereof the words "increase in grade or rate of basic compensation except such increase as may be prescribed by any provision of law of general application."

(2) Subsection (b) (1) of section 703 of the Classification Act of 1949, as amended, is amended to read as follows:

"(b) (1) No officer or employee shall be entitled to a longevity step-increase while holding a position in any grade above grade 15 of the General Schedule."

(b) The amendments made by subsection (a) shall become effective at the beginning of the first pay period following the date of enactment of this act.

SEC. 103. (a) Section 704 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 704. In the case of officers and employees in grades 11 to 15, inclusive, of the General Schedule who are receiving compensation at or above the maximum scheduled rates for their respective grades on the date immediately preceding the effective date of this amendatory section, not to exceed 3 years of service performed immediately preceding such effective date shall be counted toward longevity step increases under section 703. Notwithstanding subsection (b) (4) of section 703, longevity step increases for grade 15 of the General Schedule shall be \$200."

(b) The amendment made by subsection (a) shall become effective at the beginning of the first pay period following the date of enactment of this act.

Recruitment above the minimum rate of the class

SEC. 104. Section 803 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 803. (a) Whenever the Commission shall find (1) that a sufficient number of qualified eligibles for positions in a given class cannot be secured in one or more areas or locations at the existing minimum rate for such class, and (2) that there is a possibility that a sufficient number of such eligibles can be secured by increasing the minimum rate for such class in such areas or locations to one of the higher rates within the grade in which such class is placed, the Commission may establish such higher rate as the minimum rate for that class in each area or location concerned.

"(b) Minimum rates established under subsection (a) may be revised from time to time by the Commission. Such actions or

revisions shall have the force and effect of law.

"(c) Any increase in rate of basic compensation resulting from the establishment of minimum rates under this section shall not be regarded as an 'equivalent increase' in compensation within the meaning of section 701 (a)."

Exclusion from Classification Act of 1949 of crafts, trades, and labor positions and application of prevailing wage policy to such positions

SEC. 105. (a) Paragraph (7) of section 202 of the Classification Act of 1949, as amended, is amended to read as follows:

"(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations: *Provided*, That the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: *Provided further*, That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of the Classification Act of 1949, as amended, which are applicable to positions of equivalent difficulty or responsibility."

(b) Section 204 (c) is amended to read as follows:

"(c) Section 202 (except paragraph (7) thereof) and section 203 shall not apply to the Office of the Architect of the Capitol."

Transfer of certain positions from the Crafts, Protective, and Custodial Schedule to the General Schedule

SEC. 106. (a) Not earlier than the first day of the second pay period which begins after the date of enactment of this act, and not later than the first day of the first pay period which begins more than 6 months after the date of enactment of this act, all positions in the Crafts, Protective, and Custodial Schedule of the Classification Act of 1949, as amended, not included from such act by section 202 (7) thereof, as amended by section 105 of this title, shall be placed in corresponding grades of the General Schedule as set forth below:

Grade of the Crafts, Protective, and Custodial Schedule	Corresponding new grade of the General Schedule
1-----	1
2-----	1
3-----	1
4-----	2
5-----	3
6-----	4
7-----	5
8-----	6
9-----	7
10-----	8

(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

(1) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule which is less than the minimum scheduled rate of that grade in the General Schedule in which his position is placed, his compensation shall be increased to such minimum rate;

(2) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule which is equal to one of the scheduled or longevity rates of that grade in the General Schedule in which his position is placed, he shall receive a rate of basic compensation at such scheduled or longevity rate;

(3) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule at a rate between 2 scheduled or 2 longevity rates, or between a scheduled rate and a longevity rate, of that grade in the General Schedule in which his position is placed, he shall receive a rate of basic compensation at the higher of such 2 rates.

(4) If the employee is receiving a rate of basic compensation in the Crafts, Protective, and Custodial Schedule in excess of the maximum longevity rate of that grade in the General Schedule in which his position is placed, he shall continue to receive basic compensation without change in rate until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant the rate of basic compensation of any subsequent appointee shall be fixed in accordance with such act, as amended.

(c) The conversion to grades of the General Schedule of positions covered by this section, and the initial adjustments in compensation as prescribed herein, shall not be construed to be transfers or promotions within the meaning of section 802 (b) of the Classification Act of 1949, as amended, and the regulations issued thereunder.

Abolishment of Crafts, Protective, and Custodial Schedule

SEC. 107. Section 601 of the Classification Act of 1949, as amended, is amended to read as follows:

"SEC. 601. There is hereby established for positions to which this act applies a basic compensation schedule, to be known as the 'General Schedule,' the symbol for which shall be 'GS.'"

SEC. 108. (a) Section 602 of the Classification Act of 1949, as amended, is amended by striking out "(a)" after "Sec. 602."

(b) Subsection (b) of such section 602 is hereby repealed.

SEC. 109. (a) Subsection (a) of section 603 of the Classification Act of 1949, as amended, is amended to read as follows:

"(a) The rates of basic compensation with respect to officers, employees, and positions to which this act applies shall be in accordance with the compensation schedule contained in subsection (b)."

(b) Subsection (c) of such section 603 is hereby repealed.

(c) Subsection (d) of such section 603 is amended to read as follows:

"(c) Whenever payment is made on the basis of a daily, hourly, weekly, biweekly, or monthly rate, such rate shall be computed from the appropriate annual rate specified in subsection (b) by the method prescribed in section 604 (d) of the Federal Employees Pay Act of 1945, as amended."

SEC. 110. (a) Section 105 of this title shall take effect on the date or dates specified by the head of a department, but not earlier than the first day of the second pay period which begins after the date of enactment of this act, and not later than the first day of the first pay period which begins more than 12 months after the date of enactment of this act, with respect to each employee and position in such department within the purview of such section 105.

(b) Sections 107, 108, and 109 of this title shall take effect, with respect to employees and positions in a department, upon the completion of the actions required by sections 105 and 106 of this title to be taken

with respect to such employees and positions, but in no event later than the first day of the first pay period which begins more than 12 months after the date of enactment of this act.

Miscellaneous provisions

SEC. 111. Section 604 of the Classification Act of 1949, as amended, is amended to read as follows:

"Sec. 604. Employees receiving basic compensation at a rate authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, of section 604 (b) of this act, as in effect prior to the date of enactment of this amended section, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this act."

SEC. 112. Sections 703 (c) and 802 (b) of the Classification Act of 1949, as amended, are amended by striking out "section 604 (b) (11)" and inserting in lieu thereof "section 604."

SEC. 113. The Civil Service Commission is hereby authorized to issue such regulations as may be necessary for the administration of this title.

SEC. 114. Nothing contained in this title shall be construed to decrease the existing rate of basic compensation of any present employee, but when his position becomes vacant any subsequent appointee to such position shall be compensated in accordance with the scale of pay applicable to such position.

SEC. 115. The term "department" shall have the same meaning in this title as when used in the Classification Act of 1949, as amended.

TITLE II—AMENDMENTS TO THE FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED

SEC. 201. This title may be cited as the "Federal Employees Pay Act Amendments of 1954."

SEC. 202. (a) Subsection (a) of section 101 of the Federal Employees Pay Act of 1945, as amended, is amended by striking out "titles II and III" and inserting in lieu thereof "titles II, III, and IV."

(b) Subsection (b) of such section 101 is hereby repealed.

Compensation for overtime work

SEC. 203. Section 201 of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"SEC. 201. All hours of work officially ordered or approved in excess of 40 hours in any administrative workweek performed by officers and employees to whom this title applies shall be considered to be overtime work and compensation for such overtime work, except as otherwise provided for in this act, shall be at the following rates:

"(1) For each officer and employee whose basic compensation is at a rate which does not exceed the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to 1½ times the hourly rate of basic compensation of such officer or employee, and all of such amount shall be considered premium compensation.

"(2) For each officer and employee whose basic compensation is at a rate which exceeds the maximum scheduled rate of basic compensation provided for grade GS-9 in the Classification Act of 1949, as amended, the overtime hourly rate of compensation shall be an amount equal to 1½ times the hourly rate of such maximum scheduled rate of basic compensation, or an amount equal to the basic hourly rate of compensation of such officer or employee, whichever is greater, and

H. R. 7774

IN THE SENATE OF THE UNITED STATES

AUGUST 17 (legislative day, August 5) 1954

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. Knowland to the bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes, viz: On page 7 beginning with line 13, strike out over through line 5 on page 8, and insert the following:

- 1 (b) The compensation schedule for the General Sched-
2 ule shall be as follows:

"Grade	Per annum rates						
GS-1-----	\$2, 500	\$2, 580	\$2, 660	\$2, 740	\$2, 820	\$2, 900	\$2, 980
GS-2-----	2, 750	2, 830	2, 910	2, 990	3, 070	3, 150	3, 230
GS-3-----	3, 000	3, 080	3, 160	3, 240	3, 320	3, 400	3, 480
GS-4-----	3, 250	3, 330	3, 410	3, 490	3, 570	3, 650	3, 730
GS-5-----	3, 600	3, 725	3, 850	3, 975	4, 100	4, 225	4, 350
GS-6-----	4, 000	4, 125	4, 250	4, 375	4, 500	4, 625	4, 750
GS-7-----	4, 440	4, 525	4, 650	4, 775	4, 900	5, 025	5, 150
GS-8-----	4, 800	4, 925	5, 050	5, 175	5, 300	5, 425	5, 550
GS-9-----	5, 300	5, 425	5, 550	5, 675	5, 800	5, 925	6, 050
GS-10-----	5, 800	5, 925	6, 050	6, 175	6, 300	6, 425	6, 550
GS-11-----	6, 400	6, 600	6, 800	7, 000	7, 200	7, 400	
GS-12-----	7, 500	7, 700	7, 900	8, 100	8, 300	8, 500	
GS-13-----	8, 800	9, 000	9, 200	9, 400	9, 600	9, 800	
GS-14-----	10, 200	10, 400	10, 600	10, 800	11, 000	11, 200	
GS-15-----	11,600	11, 850	12, 100	12, 350	12, 600		
GS-16-----	12, 800						
GS-17-----	13, 800						
GS-18-----	14, 800						

- 1 (c) (1) The compensation schedule for the Crafts,
 2 Protective, and Custodial Schedule shall be as follows:

"Grade	Per annum rates						
CPC-1-----	\$1, 810	\$1, 870	\$1, 930	\$1, 990	\$2, 050	\$2, 110	\$2, 170
CPC-2-----	2, 420	2, 490	2, 560	2, 630	2, 700	2, 770	2, 840
CPC-3-----	2, 552	2, 632	2, 712	2, 792	2, 872	2, 952	3, 032
CPC-4-----	2, 750	2, 830	2, 910	2, 990	3, 070	3, 150	3, 230
CPC-5-----	3, 000	3, 080	3, 160	3, 240	3, 320	3, 400	3, 480
CPC-6-----	3, 250	3, 330	3, 410	3, 490	3, 570	3, 650	3, 730
CPC-7-----	3, 600	3, 700	3, 800	3, 900	4, 000	4, 100	4, 200
CPC-8-----	4, 000	4, 125	4, 250	4, 375	4, 500	4, 625	4, 750
CPC-9-----	4, 400	4, 525	4, 650	4, 775	4, 900	5, 025	5, 150
CPC-10-----	4, 800	4, 925	5, 050	5, 175	5, 300	5, 425	5, 550

- 3 (2) Charwomen working part time shall be paid at the
 4 rate of \$2,700 per annum, and head charwomen working
 5 part time at the rate of \$2,840 per annum.

6 On page 9, lines 8 and 9, strike out "as provided in this
 7 section, he shall continue to receive basic compensation", and
 8 insert, "he shall receive a rate of basic compensation at the
 9 maximum longevity rate of his grade as provided in this
 10 section, or his existing rate, whichever is greater".

11 On page 9, lines 20 and 21, strike out "as provided in
 12 this section, he shall continue to receive basic compensation"
 13 and insert, "he shall receive a rate of basic compensation at
 14 the maximum scheduled rate of his grade as provided in this
 15 section, or his existing rate, whichever is greater".

16 On page 10, line 11, strike out "5 per centum" and
 17 insert "3½ per centum".

18 On page 10, lines 12 and 13, strike out "\$440 per
 19 annum or less than \$170 per annum", and insert "\$410
 20 per annum".

1 On page 11, line 1, strike out “5” and insert “ $3\frac{1}{2}$ ”.

2 On page 11, beginning with the comma in line 10, strike
3 out down through the words “per annum” in line 12.

4 On page 11, line 15, strike out “\$12,086” and insert
5 “\$12,056”.

6 On page 11, line 20, strike out “\$2,160” and insert
7 “\$1,380”.

8 On page 11, line 22, strike out “\$2,400” and insert
9 “\$1,620”.

10 On page 11, line 25, strike out “\$3,120” and insert
11 “\$1,860”.

12 On page 12, line 3, strike out “\$3,180” and insert
13 “\$1,920”.

14 On page 12, line 10, strike out “\$6,180” and insert
15 “\$6,060”.

16 On page 12, line 11, strike out “\$7,620” and insert
17 “\$7,560”.

18 On page 12, line 12, strike out “\$8,640” and insert
19 “\$8,580”.

20 On page 12, line 20, strike out “5” and insert “ $3\frac{1}{2}$ ”.

21 On page 12, line 21, strike out “\$440 per annum” and
22 insert “\$410 per annum”.

23 On page 12, strike out line 22.

24 On page 13, line 8, strike out “5” and insert “ $3\frac{1}{2}$ ”.

1 On page 14, line 2, strike out “\$14,240” and insert
2 “\$14,210”.

3 On page 14, line 8, strike out “5” and insert “3½”.

4 On page 14, lines 9 and 10, strike out “\$440 per annum
5 or less than \$170 per annum” and insert “\$410 per annum”.

6 On page 14, line 13, strike out “\$13,240” and insert
7 “\$13,210”.

8 On page 14, line 16, strike out “5” and insert “3½”.

9 On page 14, line 17, strike out “\$440” and insert
10 “\$410 per annum”.

11 On page 14, line 18, strike out line 18.

12 On page 15, strike out lines 10 to 23, inclusive.

13 Renumber sections 202 to 207, inclusive, as sections
14 201 to 206, respectively.

15 SEC. 207. (a) The Postmaster General is authorized
16 and directed to make a thorough investigation and study of
17 various methods for the classification of positions and the
18 determination of salaries in the postal field service and all
19 matters relating thereto (including personnel and pay bene-
20 fits and administration), in order to provide a plan (to be
21 submitted by the Postmaster General to, and to be subject
22 to review by, the Congress, in accordance with the provi-
23 sions of this section and section 10) for the establishment
24 of a uniform, integrated, and equitable classification and
25 pay system for all postmasters, officers, employees, and po-

1 sitions in the postal field service. Such classification and
2 pay plan for the postal field service shall provide a method
3 for determining the rates of basic compensation which post-
4 masters, officers, and employees shall receive under which—

5 (1) the principle of equal pay for substantially equal
6 work shall be followed; and

7 (2) variations in rates of basic compensation paid
8 to different postmasters, officers, and employees shall be
9 in proportion to substantial differences in the difficulty,
10 responsibility, and qualification requirements of the work
11 performed and to the contributions of postmasters, of-
12 ficers, and employees to efficiency and economy in the
13 postal field service.

14 Such plan shall contain compensation schedules which set
15 forth the various grades to which positions in the postal field
16 service are to be allocated and provide the rates of basic
17 compensation, and the ranges of such rates, which are to be
18 applicable to such grades. Such plan also shall contain
19 provisions which—

20 (A) grant to personnel in the postal field service
21 the right to obtain appropriate review by the Civil
22 Service Commission of all classifications of their posi-
23 tions;

24 (B) prohibit reductions in the rates of basic com-
25 pensation of personnel on the rolls on the date such

1 plan (or any part thereof) becomes operative, by reason
2 of the institution and operation of such plan (or any
3 part thereof) ;

4 (C) prohibit reductions in rates of basic compen-
5 sation of any personnel, by reason of any classification
6 actions taken at any time under authority of such plan
7 with respect to the positions occupied by such personnel,
8 so long as such personnel remain in the same positions
9 and are assigned to perform and do perform work of the
10 same level of difficulty, responsibility, and qualification
11 requirements as the work which they were performing
12 in such positions; and

13 (D) preserve for personnel in the postal field serv-
14 ice on the rolls on the date such plan (or any part
15 thereof) becomes operative the increases in rates of basic
16 compensation provided by this Act.

17 Such plan also may contain such provisions and proposals
18 consistent with the purposes of this section as the Postmaster
19 General deems advisable in the light of the needs of the Post
20 Office Department, the best interests of personnel in the
21 postal field service, and the public interest.

22 (b) In the light of and pursuant to the investigation
23 and study made under subsection (a) and in accordance
24 with the purposes of such subsection, the Postmaster General
25 shall transmit to the Congress, on or before March 15,

1 1955, a classification and pay plan for the postal field service.
2 Such plan shall be prepared with due regard for the legis-
3 lative forms and procedures of the Congress and shall be
4 accompanied by an appropriate written explanation of the
5 provisions, objects, purposes, and effects thereof. The de-
6 livery of such plan and explanation thereof shall be made to
7 both Houses on the same day.

8 (c) Except as may be otherwise provided pursuant to
9 subsection (e) of this section, the provisions of such classifi-
10 cation and pay plan for the postal field service shall take
11 effect upon the expiration of the first period of sixty calendar
12 days of continuous session of the Congress, following the
13 date on which such plan is transmitted to the Congress; but
14 only if, between the date of transmittal and the expiration
15 of such period of sixty days there has not been passed by
16 either of the two Houses, by affirmative vote of a majority
17 a quorum being present, a resolution stating in substance
18 that that House does not favor such plan.

19 (d) For the purposes of subsection (c) of this section—

20 (1) continuity of session shall be considered as
21 broken only by an adjournment of the Congress sine die;
22 but

23 (2) in the computation of the sixty-day period,
24 there shall be excluded the days on which either House

1 is not in session because of an adjournment of more than
2 three days to a day certain.

3 (e) Any provision of the plan may, under provisions
4 contained in the plan, be made operative at a time later than
5 the date on which the plan shall otherwise take effect.

6 (f) If such classification and pay plan becomes effective,
7 such plan shall be printed in the Statutes at Large in the same
8 volume as the public laws and shall be printed in the Federal
9 Register.

10 (g) Any increase in rate of basic compensation by
11 reason of the institution and operation of such classification
12 and pay plan for the postal field service shall not be con-
13 sidered as an "equivalent increase" in compensation within
14 the meaning of section 701 of the Classification Act of 1949,
15 as amended, in the case of postmasters, officers, and em-
16 ployees in the postal field service who transfer or are trans-
17 ferred to positions within the purview of the Classification
18 Act of 1949, as amended.

19 SEC. 208. (a) This section is enacted by the Congress:

20 (1) As an exercise of the rule-making power of the
21 Senate and the House of Representatives, respectively, and
22 as such it shall be considered as part of the rules of each
23 House, respectively, but applicable only with respect to the
24 procedure to be followed in such House in the case of
25 resolutions (as defined in subsection (b) of this section);

1 and such rules shall supersede other rules only to the extent
2 that they are inconsistent therewith; and

3 (2) With full recognition of the constitutional right of
4 either House to change such rules (so far as relating to the
5 procedure in such House) at any time, in the same manner
6 and to the same extent as in the case of any other rule of
7 such House.

8 (b) As used in this section and section 207, the term
9 “resolution” means only a resolution of either of the two
10 Houses of Congress, the matter after the resolving clause
11 of which is as follows: “That the -----
12 does not favor the postal field service classification and
13 pay plan transmitted to Congress by the Postmaster Gen-
14 eral.”, the blank space therein being filled with the name
15 of the resolving House.

16 (c) All resolutions with respect to the postal field
17 service classification and pay plan shall be referred, by the
18 President of the Senate or the Speaker of the House of
19 Representatives, only to the Committee on Post Office and
20 Civil Service of the Senate or the Committee on Post Office
21 and Civil Service of the House of Representatives, as the
22 case may be.

23 (d) If the committee to which has been referred a
24 resolution with respect to such postal field service classifica-
25 tion and pay plan has not reported such resolution before

1 the expiration of ten calendar days after its introduction, it
2 shall then (but not before) be in order to move either to
3 discharge the committee from further consideration of such
4 resolution, or to discharge the committee from further con-
5 sideration of any other resolution with respect to such postal
6 field service classification and pay plan which has been re-
7 ferred to the committee.

8 (c) Such motion may be made only by a person favor-
9 ing the resolution, shall be highly privileged (except that it
10 may not be made after the committee has reported a resolu-
11 tion with respect to the plan), and debate thereon shall be
12 limited to not to exceed one hour, to be equally divided be-
13 tween those favoring and those opposing the resolution. No
14 amendment to such motion shall be in order, and it shall not
15 be in order to move to reconsider the vote by which such
16 motion is agreed to or disagreed to.

17 (f) If the motion to discharge is agreed to or disagreed
18 to, such motion may not be renewed, nor may another
19 motion to discharge the committee be made with respect to
20 any other resolution with respect to the plan.

21 (g) When the committee has reported, or has been
22 discharged from further consideration of, a resolution with
23 respect to the plan, it shall at any time thereafter be in order
24 (even though a previous motion to the same effect has
25 been disagreed to) to move to proceed to the consideration

1 of such resolution. Such motion shall be highly privileged
2 and shall not be debatable. No amendment to such motion
3 shall be in order and it shall not be in order to move to
4 reconsider the vote by which such motion is agreed to or
5 disagreed to.

6 (h) Debate on the resolution shall be limited to not to
7 exceed ten hours, which shall be equally divided between
8 those favoring and those opposing the resolution. A motion
9 further to limit debate shall not be debatable. No amend-
10 ment to, or motion to recommit, the resolution shall be in
11 order, and it shall not be in order to move to reconsider the
12 vote by which the resolution is agreed to or disagreed to.

13 (i) All motions to postpone, made with respect to the
14 discharge from committee, or the consideration of, a resolu-
15 tion with respect to the plan, and all motions to proceed to
16 the consideration of other business, shall be decided without
17 debate.

18 (j) All appeals from the decisions of the Chair relating
19 to the application of the rules of the Senate or the House of
20 Representatives, as the case may be, to the procedure relating
21 to a resolution with respect to the plan shall be decided
22 without debate.

23 SEC. 209. In the exercise of the authority granted by
24 section 81 of title 2 of the Canal Zone Code, as amended,
25 the Governor of the Canal Zone is authorized to adopt the

1 postal field service classification and pay plan, or any part
2 thereof, made operative pursuant to sections 9 and 10 of
3 this Act, as of the date or dates such plan, or any part
4 thereof, becomes operative, for postal employees of the
5 Canal Zone Government. The Postmaster General shall
6 make available to the Governor of the Canal Zone copies of
7 such matter relating to such plan as may be necessary to
8 carry out the purposes of this section, including descriptions
9 of positions and rates of compensation provided for therein.

10 On page 23, beginning with line 7, strike out over
11 through line 23 on page 24, and insert the following:

12 On page 24, line 24, strike out "Sec. 209" and insert
13 "Sec. 210".

14 On page 25, line 3, strike out "Sec. 210" and insert
15 "Sec. 211".

16 On page 25, line 4, strike out "Sections 206 and 208"
17 and insert "Section 205".

18 On page 25, line 6, strike out "202, 204, and 205" and
19 insert "201, 203, and 204".

20 On page 25, line 9, strike out "203 and 209" and insert
21 "202 and 210".

22 On page 25, line 12, strike out "207" and insert "206".

On page 25, after line 15, insert the following:

TITLE III—POSTAL RATES

FIRST-CLASS MAIL

SEC. 301. (a) The rates of postage on mail matter of the first class (other than postal cards and private mailing or post cards) shall be as follows:

(1) 4 cents for the first ounce or fraction thereof, and 3 cents for each additional ounce or fraction thereof, when mailed for delivery at any destination other than the office of mailing;

(2) 3 cents for each ounce or fraction thereof, when mailed for local delivery at the office of mailing, except as prescribed in paragraph (3) of this subsection; and

(3) 2 cents for each ounce or fraction thereof, when mailed for local delivery at post offices where free delivery by carrier is not established and when the matter is not collected or delivered by rural or star route carriers.

(b) In the case of first-class matter mailed without prepayment of any postage or without prepayment of the full amount of postage due, the Postmaster General is authorized to prescribe by regulation the conditions under which such matter shall be delivered to the addressee or returned to the sender. The conditions so prescribed shall be stated in such manner as to permit delivery of such mail to the addressee

1 whenever it is practicable to do so consistent with the collec-
2 tion of the charges prescribed in accordance with subsection
3 (c) of this section.

4 (c) The Postmaster General is authorized to prescribe
5 by regulation from time to time the charges to be collected
6 on delivery in the case of any matter of the first class mailed
7 without prepayment of any postage or without prepayment
8 of the full amount of postage due. In determining such
9 charges, the Postmaster General shall take into consideration
10 the postage actually due, and, to the extent practicable, the
11 additional expense incurred by reason of the failure to pay
12 the applicable postage and the desirability of minimizing
13 the incidence of such mailings.

14 (d) Regulations issued by the Postmaster General un-
15 der subsections (b) and (c) shall, to the extent prescribed
16 therein, supersede existing laws, regulations, and orders gov-
17 erning the subject matter covered thereby.

18 (e) Section 12 (a) of the Act of October 30, 1951
19 (39 U. S. C. sec. 246f (a)), is amended by inserting
20 before the period at the end thereof a semicolon and the
21 following:

22 “(9) for returning undeliverable letters and parcels
23 of the first class from the dead-letter office to the
24 senders”.

SECOND-CLASS MAIL

SEC. 302. (a) Section 2 (a) of the Act of October 30, 1951 (39 U. S. C., sec. 289a), is amended by striking out the word "and" immediately following "April 1, 1953," and by inserting before the colon immediately following "April 1, 1954" a comma and the following: "(4) by an additional 10 per centum, based on rates now in force, beginning on April 1, 1955, (5) by an additional 10 per centum, based on rates now in force, beginning on April 1, 1956, and (6) by an additional 10 per centum, based on rates now in force, beginning on April 1, 1957". The term "rates now in force", as used in the amendments made by this subsection to section 2 (a) of such Act of October 30, 1951, means the rates in force immediately prior to April 1, 1952.

(b) The rates increased by subsection (a) of this section shall be subject to a minimum charge of one-fourth of 1 cent computed on each individually addressed copy or package of unaddressed copies.

(c) The rates of postage on copies of publications having second-class entry mailed by others than the publishers or authorized news agents, sample copies mailed by the publishers in excess of the 10 per centum allowance entitled to be sent at the pound rates, and copies mailed by the publishers to persons who may not be included in the required legitimate list of subscribers, shall be, in the case of publica-

1 tions weighing 8 ounces or less, the applicable rates now or
2 hereafter prescribed by law on third-class matter, and, in
3 the case of publications weighing in excess of 8 ounces, the
4 applicable rates now or hereafter prescribed or authorized
5 by law on fourth-class matter.

6 THIRD-CLASS MAIL

7 SEC. 303. (a) The rates of postage on third-class matter
8 shall be 3 cents for the first two ounces or fraction thereof,
9 and $1\frac{1}{2}$ cents for each additional ounce or fraction thereof
10 up to and including 8 ounces in weight, except that on
11 matter mailed by religious, educational, scientific, philan-
12 thropic, agricultural, labor, veterans', or fraternal organiza-
13 tions or associations, not organized for profit and none of the
14 net income of which inures to the benefit of any private
15 stockholder or individual, the rates shall be as follows:

16 (1) $1\frac{1}{2}$ cents for each 2 ounces or fraction thereof
17 on books and catalogs of twenty-four pages or more,
18 seeds, cuttings, bulbs, roots, scions, and plants not
19 exceeding 8 ounces in weight; and

20 (2) 2 cents for the first 2 ounces or fraction thereof,
21 and 1 cent for each additional ounce or fraction thereof,
22 on all other third-class matter.

23 (b) Upon payment of a fee of \$50 for each calendar
24 year or of \$15 for each quarter of a calendar year and
25 under such regulations as the Postmaster General may pre-

1 scribe for the collection of postage and for facilitating the
2 handling of such matter in the mails, separately addressed
3 identical pieces of third-class matter in quantities of not less
4 than twenty pounds, or of not less than two hundred pieces,
5 may be mailed at pound rates of postage applicable to the
6 entire bulk mailed at one time. The rate of postage on third-
7 class matter mailed in bulk under this subsection shall be 16
8 cents for each pound or fraction thereof with a minimum
9 charge per piece of $1\frac{1}{2}$ cents, except that in the case of books
10 and catalogs of twenty-four pages or more, seeds, cuttings,
11 bulbs, roots, scions, and plants the rate shall be 10 cents for
12 each pound or fraction thereof with a minimum charge per
13 piece of $1\frac{1}{2}$ cents. The rate of postage on third-class matter
14 mailed in bulk under this subsection but without individual
15 addresses for delivery under regulations prescribed by the
16 Postmaster General shall be subject to a minimum charge
17 per piece of 2 cents. The rates of postage prescribed by this
18 subsection shall not apply with respect to matter mailed by
19 religious, educational, scientific, philanthropic, agricultural,
20 labor, veterans', or fraternal organizations or associations,
21 not organized for profit and none of the net income of which
22 inures to the benefit of any private stockholder or individual,
23 and the existing rates of postage shall continue to apply with
24 respect to such matter.

1 (c) Pieces or packages of third-class mail of such size
2 or form as to prevent ready facing and tying in bundles and
3 requiring individual distributing throughout shall be sub-
4 ject to a minimum charge of 5 cents each.

5 CONTROLLED CIRCULATION PUBLICATIONS

6 SEC. 304. The rate of postage on the publications defined
7 in section 203 of the Act of July 3, 1948 (39 U. S. C., sec.
8 291b), when mailed by the publisher and regardless of the
9 weight of individual copies, shall be 11 cents for each pound
10 or fraction thereof, computed on the entire bulk mailed at one
11 time, but not less than $1\frac{1}{2}$ cents per piece, which rate shall
12 remain in effect until otherwise provided by Congress: *Pro-*
13 *vided*, That the rate of postage on copies of such publications
14 when mailed by other than the publishers, or when for-
15 warding to the addressee or returned to the sender, shall be 3
16 cents for the first two ounces and $1\frac{1}{2}$ cents for each additional
17 ounce.

18 DOMESTIC AIR MAIL

19 SEC. 305. The rate of postage on domestic air mail
20 as defined in section 2 of the Act of August 14, 1946 (39
21 U. S. C., sec. 462a), weighing eight ounces or less (except
22 postal cards and private mailing or post cards) shall be 7
23 cents for each ounce or fraction thereof.

1 DETERMINATION OF CLASS OF POST OFFICE AND COMPEN-
2 SATION OF POSTMASTER AND CERTAIN EMPLOYEES

3 SEC. 306. (a) On and after January 1, 1955, 85 per
4 centum of the gross postal receipts of all classes of post
5 offices shall be counted for the purpose of determining the
6 class of the post office or the compensation or allowances
7 of postmasters or other employees whose compensation or
8 allowances are based on the annual receipts of such offices.

9 Nothing contained in this subsection shall operate to decrease
10 the compensation or allowances in effect on the effective date
11 of this subsection for postmasters and other employees in
12 the postal field service on such date whose compensation or
13 allowances are based upon the annual receipts of such offices.

14 (b) In the case of the post office at Washington, Dis-
15 trict of Columbia, the Postmaster General may, in his
16 discretion, add to the gross receipts of such office counted
17 for the purposes of subsection (a) of this section not to
18 exceed 75 per centum of such gross receipts.

19 (c) Notwithstanding any other provision of law, the
20 salaries of postmasters at fourth-class post offices, as fixed
21 by law, shall be deemed and taken to be full compensation
22 for the clerical labor in the issuance of money orders at such
23 offices.

1 REPEAL OF EXISTING PROVISIONS OF LAW

2 SEC. 307. (a) The following provisions of law are
3 hereby repealed:

4 (1) Section 202 (a) (4) of the Act of February
5 28, 1925, as amended by section 4 of the Act of May 29,
6 1928 (39 U. S. C., sec. 283) ;

7 (2) Section 204 of the Act of February 28, 1925
8 (39 U. S. C., sec. 288) ;

9 (3) Section 2 (d) of the Act of October 30, 1951
10 (39 U. S. C., sec. 289a (d)).

11 (b) All laws or parts of laws inconsistent with this
12 Act are hereby repealed or modified to the extent of such
13 inconsistency.

14 APPLICATION TO GUAM

15 SEC. 308. This title shall have the same force and effect
16 within Guam as within other possessions of the United
17 States.

18 EFFECTIVE DATES

19 SEC. 309. This title shall take effect on January 1, 1955,
20 except that section 302 (a) and (b) shall take effect on
21 April 1, 1955.

AMENDMENT

Intended to be proposed by Mr. Knowland to the bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

AUGUST 17 (legislative day AUGUST 5) 1954

Ordered to lie on the table and to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued August 19, 1954

For actions of August 18, 1954

83rd-2nd, No. 161

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Senate passed bill to increase CCC borrowing power, and House concurred in amendment re mangoes imports. Senate agreed to conference report on supplemental appropriation bill and acted on amendments in disagreement. Senators criticized drought-relief administration. Senate debated Federal pay raise. Senate passed plant patenting bill. Senate passed bill permitting long-term leases of forest lands. Senate committee reported bill to codify food-drug laws. House agreed to conference report on fringe-benefits personnel bill. House concurred in Senate amendments to flood control bill. House concurred in Senate amendments to unemployment compensation bill. Reps. Whitten and Burdick criticized farm program bill. Rep. Hope inserted President's statement when signing water facilities bill. Sen. Fulbright inserted Democratic Digest article on farm program. Conferees agreed to file report on foreign-aid appropriation bill. Rep. Brown (Ga.) urged drought relief for Ga. Rep. Polk criticized agricultural advisory committees.

SENATE

1. COMMODITY CREDIT CORPORATION. Passed H. R. 9756, to increase the borrowing power of CCC from \$8½ billion to \$10 billion, with an amendment by Sen. Holland to add mangoes to the provision in the farm program bill which would require that certain imported fruits and vegetables comply with the standards of domestic marketing orders (pp. 14208-9). The House concurred in the amendment (p. 14179). This bill will now be sent to the President.
2. SUPPLEMENTAL APPROPRIATION BILL, 1955. Agreed to the conference report on this bill, H. R. 9936. Concurred in the House amendments, to Senate amendments, mentioned in Digest 160. Sen. Kefauver criticized plans to move headquarters of the Civil Defense Administration to Fich. (pp. 14213-23.) This bill will now be sent to the President.

3. PATENTS. Passed without amendment H. R. 5420, providing that a patent may be obtained on cultivated sports, mutants, hybrids, and newly found seedling plants (p. 14229). This bill will now be sent to the President.
Discussed and, on objection of Sen. Gore, passed over H. R. 3534, to authorize extension of patents covering inventions whose practice was prevented or curbed during certain emergency periods (pp. 14255-6).
4. FORESTRY. Passed with amendment H. R. 1254, to permit 30-year leases of national forest and certain other Federal lands for public purposes (pp. 14227-8).
5. TRAVEL; TRANSPORTATION. Passed without amendment H. R. 179, which authorizes pay of travel expenses of certain civilian employees stationed outside continental U. S. and their immediate families in connection with taking periodic leaves of absence in the U. S., authorizes return of the immediate families and household goods of employees prior to the return of the employees under certain circumstances, etc. (p. 14229). This bill will now be sent to the President.
6. PERSONNEL. Passed without amendment H. R. 7785, to amend the Civil Service Retirement Act so as to make permanent the increases in regular annuities provided by the act of 1952, and to extend such increases to additional annuities purchased by voluntary contributions (p. 14247). This bill will now be sent to the President.
Concurred in a House amendment to S. 3627, to amend the Civil Service Retirement Act so as to require an employee to complete 1 year of creditable civilian service subject to the Act within the 2-year period preceding separation in order to establish title to his annuity from the civil service retirement and disability fund (p. 14306). This bill will now be sent to the President.
During debate on H. R. 2235, a reclamation bill, Sen. Johnston offered an amendment/the committee substitute for H. R. 7774 (the incentive-awards bill), which would grant a 5% Federal pay raise. The Johnston amendment was rejected, 47 to 30. (pp. 14292-8.)
During calendar call, discussed the committee provisions (as amendments to H. R. 7774) for a Federal pay raise and the Knowland amendments (which were printed in the Record) to provide a 3½% pay raise for classified employees and increases in postal rates. No action was taken on the amendments, but it was indicated that they would be formally considered later. (pp. 14230-1, 14249-55.)
The Post Office and Civil Service Committee reported without amendment H. R. 1553, to amend the Civil Service Retirement Act so as to provide for the inclusion in the computation of accredited service of certain periods of service rendered to States or instrumentalities of States (S. Rept. 2494)(p. 14201).
The Committee also reported S. Con. Res. 105, "to express the sense of the Congress on excusing Government employees from work on the afternoon of August 31, 1954, to attend the parade of the American Legion in the District of Columbia" (S. Rept. 2495)(p. 14201).
7. LAW REVISION. The Judiciary Committee reported with amendments bills to codify titles of the U. S. Code and enact them into positive law, as follows: H. R. 9728, title 21, regarding food, drugs, and animal-plant diseases (S. Rept. 2496); H. R. 9729, title 13, "Census" (S. Rept. 2497); and H. R. 9730, corrections of various obsolete references (S. Rept. 2498)(p. 14201).
8. DROUGHT RELIEF. Various Senators criticized USDA administration of the drought-relief program (pp. 14266-70, 14277-82).
9. FARM LABOR. Passed without amendment S. 3813, to permit immigration of certain

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 1737) for the relief of certain former employees of the Inland Waterways Corp. was announced as next in order.

Mr. GORE. Over.

Mr. HENDRICKSON. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3166) for the relief of the city of Sandpoint, Idaho, was announced as next in order.

Mr. MORSE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3214) for the relief of Mrs. Marie Monchen was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1370) for the relief of Guy H. Davant was announced as next in order.

Mr. GORE. Over.

The PRESIDING OFFICER. The bill will be passed over.

CLARENCE D. NEWLAND

The Senate proceeded to consider the bill (H. R. 2032) for the relief of Clarence D. Newland, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 16, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 3222) for the relief of Martin Luther Johnson was announced as next in order.

Mr. GORE. Over.

The PRESIDING OFFICER. The bill will be passed over.

DAVID W. WALLACE

The bill (H. R. 4638) for the relief of David W. Wallace was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 9, after the word "act", to strike out "in excess of 10 percent thereof."

Mr. McCARRAN. Mr. President, as I heard the bill read, did I correctly understand that attorneys' fees are allowed?

The PRESIDING OFFICER. As amended, the bill provides for no attorneys' fees.

Mr. McCARRAN. I thank the Presiding Officer.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF UNITED STATES CODE RELATING TO PATENTING OF PLANTS

The bill (H. R. 5420) to amend section 161, title 35, United States Code, relating to the patenting of plants was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3305) to authorize payment of certain war claims including payment of veterans' claims arising out of the sequestration by the Imperial Japanese Government of credits of members of the military and naval forces of the United States and other United States nationals in the Philippines was announced as next in order.

Mr. GORE. Over.

The PRESIDING OFFICER. The bill will be passed over.

TRAVEL EXPENSES OF CIVILIAN EMPLOYEES STATIONED OVERSEAS

The bill (H. R. 179) to amend section 7 of the Administrative Expenses Act of 1946, as amended, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3517) to amend section 144 of title 28 of the United States Code was announced as next in order.

Mr. GORE. Over.

The PRESIDING OFFICER. The bill will be passed over.

PAYMENT OF TAXES ON REAL PROPERTY TRANSFERRED FROM GOVERNMENT CORPORATIONS—BILL PASSED OVER

The bill (H. R. 5605) to amend the Federal Property and Administrative Services Act of 1949, to provide for payment of taxes or payment in lieu of taxes with respect to real property transferred from Government corporations to other agencies of the Federal Government was announced as next in order.

Mr. GORE. Mr. President, may we have an explanation of the bill?

Mr. SALTONSTALL. Mr. President, broadly speaking, a very brief explanation of the bill is that when a plant is located in a city and is operated by a division of the Department of Defense, such as the Department of the Air Force, the locality loses its right to taxes. There is such a plant in Everett, Mass., which is operated by the General Electric Co. When it was operated by the RFC, the city of Everett collected taxes on it. The RFC gave up the plant, it was transferred to the Department of

the Air Force, and it is now being operated by the General Electric Co. under contract with the Department of the Air Force. As a result of the transfer, the city has lost the right to tax the plant.

I have for several years joined in introducing bills to cover such situations. It is my understanding that the Defense Department, the Treasury Department, and the Bureau of the Budget object to bills of this character. I am informed that there are 93 similar instances throughout the United States.

I address a question to the distinguished Senator from Tennessee. I ask him if his objection is based on the fact that the Department of Defense does not like this type of bill and objects to the present method of dealing with such situations, which is a hardship on localities?

Mr. GORE. In reply to the able senior Senator from Massachusetts, I advise him that I believe the bill has a great deal of merit. I am not in sympathy with the situation which it seeks to relieve. I have no objection to the merits of the bill as such. I believe I would favor the passage of such a bill. However, as the able Senator has stated, since there are 93 instances parallel to this situation, and since it is a matter of considerable importance, and is general legislation which is objected to by the Department of Defense, I have serious reservations as to the advisability of passing such a far-reaching and important bill on the call of the calendar, because it is not possible to have adequate debate and consideration.

Mr. SALTONSTALL. I concede the force of the distinguished Senator's objection. My only observation is that it is unfortunate that the bill should come up at such a late date in the session.

Mr. GORE. I agree. The junior Senator from Massachusetts is likewise very much interested in the bill. I shall be glad to join the distinguished Senators from Massachusetts in a request to the majority leader to schedule the bill for consideration.

Mr. SALTONSTALL. I thank the Senator.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I am happy to yield, if I have the floor.

Mr. MORSE. Mr. President, the bill deserves considerable discussion on the floor of the Senate. We cannot possibly discuss the policy involved in this bill and all the implications of that policy in a short time on the floor of the Senate. I am open-minded about it, and if I can be convinced that this is a sound bill, I shall change my present position.

However, what we would be doing would be to open the whole question of whether to give communities in which the Government locates defense and military installations the right to collect taxes from the Defense Department. That is what it amounts to. When I think of all the interest in Congress with respect to getting military installations located in various localities of the country, I believe we would be adopting a very unsound public policy if we were to have

the Government pay taxes for the privilege of locating such an installation within a locality.

I am sure that the city of Everett, Mass., has not lost so much as one cent by the location of this installation there. To the contrary, I believe the establishment has poured into the treasury of the city of Everett great sums of money which never would have gone into its treasury if the plant had not been located there.

Unless we could have a thorough discussion of the policy, which, as has already been brought out by the Senator from Massachusetts, is opposed by the Bureau of the Budget, I certainly would not agree to have it passed on the call of the calendar; nor would I, under terrific pressure for shortening debate in the dying days of the session, be willing to have such a bill considered under any agreement to limit debate.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. I object.

The PRESIDING OFFICER. Objection is heard—

Mr. BUSH. Mr. President, will the Senator from Oregon withhold his objection for a moment?

Mr. MORSE. I withhold it.

Mr. BUSH. I wish to speak strongly in support of the statement of the Senator from Massachusetts with reference to this bill. In response to the observations of the Senator from Oregon, I will say that in one town in my State certain property is subject to taxation which amounts to \$68 million, and the property exempt from taxation because it belongs to the Government amounts to more than \$80 million.

As I recall, this bill was introduced in the early part of 1953. I do not know what has happened to it. I testified on it last year in hearings held on it. I am greatly distressed that it is to be held up and not passed this year. It involves a very important matter, and it has been kicking around for a year and a half.

Mr. GORE. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I yield.

Mr. GORE. I am advised that the senior Senator from Missouri [Mr. HENNING] wishes to join in requesting the majority leader to schedule the bill for consideration.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. MORSE. Mr. President, I shall withhold my objection for a moment.

Mr. IVES. Mr. President, I happen to live in one of the States which has a number of communities affected in the same way as the communities which have been referred to by the Senator from Massachusetts and the Senator from Connecticut. I should like very much to see the bill pass. I only hope we can have an opportunity to pass it before we adjourn.

Mr. HUMPHREY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oregon withhold his objection in order that the Senator from Minnesota may make a statement?

Mr. MORSE. Yes.

Mr. HUMPHREY. Mr. President, during the time I have been a member of the Committee on Government Operations it has been my privilege to participate in some of the hearings held on this measure. Last year I served on the President's Commission on Intergovernmental Relations. At the present time the Commission on Intergovernmental Relations is giving very careful study to the entire subject of payments in lieu of taxes by the Federal Government to localities and political subdivisions of States. This question will be the subject of discussion the coming weekend before that Commission. I happen to be in agreement with the statement of the necessity for action being taken with reference to this subject. There are literally hundreds of communities in the United States which today are seeing their tax base eaten away, so to speak, because of the immunity of the Federal Government from any local taxation or revenue-raising ordinances of States. While I realize that this is a question which requires considerable discussion, I think it should be crystal clear that for more than 5 years there have been bills on the calendar and before committees to approach a solution of this very urgent and pressing problem. I join with Senators who think the bill should be brought up again at this session, because we should take some action on it.

The PRESIDING OFFICER. The Chair understands that the Senator from Oregon [Mr. MORSE] renews his objection.

Mr. MORSE. I think it is very good policy, in the closing hours of the session, to take the stand which I have suggested.

Mr. CASE. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. CASE. Is it not true that this bill would deal only with a segment of the problem, namely, property transferred from Government corporations, and would not reach the whole field of federally owned real estate, much of which is acquired by purchase or condemnation?

Mr. MORSE. The answer is that I do not know. That is one of the reasons why I think we should have a debate on the bill rather than try to handle the subject on a calendar call within 5 minutes.

Mrs. SMITH of Maine. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mrs. SMITH of Maine. The Senator from Maine advises the Senator from South Dakota that he is correct in his explanation of the bill.

Mr. MORSE. Mr. President, I object. The PRESIDING OFFICER. The bill will be passed over.

TRUST ASSOCIATION OF H. KEMPNER—BILL PLACED AT FOOT OF CALENDAR

The bill (H. R. 951) for the relief of the trust association of H. Kempner was announced as next in order.

Mr. COOPER. Mr. President, I ask unanimous consent that this bill be passed to the foot of the calendar.

The PRESIDING OFFICER. Without objection the bill will be placed at the foot of the calendar.

BILLS PASSED OVER

The bill (S. 3423) to amend the Trading With the Enemy Act was announced as next in order.

Mr. GORE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1555) to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes was announced as next in order.

Mr. HENDRICKSON. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

AVAILABILITY OF CERTAIN FUNDS TO THE COMMITTEE ON GOVERNMENT OPERATIONS—RESOLUTION PASSED OVER

The resolution (S. Res. 288) to make certain funds available to the Committee on Government Operations, was announced as next in order.

Mr. McCARRAN. Over.

Mr. GORE. Mr. President, will the Senator from Nevada withhold his objection for a moment?

Mr. McCARRAN. Yes.

Mr. GORE. Mr. President, at the last call of the calendar I registered an objection to this resolution by request.

Personally, I am strongly in favor of appropriating sufficient funds for the committee to make its investigation. I want the RECORD to show that my previous objection was upon request and in performance of my duty as a member of the calendar committee, and was not a reflection of my own position with respect thereto.

Mr. McCARRAN. Over.

The PRESIDING OFFICER. The resolution will be passed over.

BILL PASSED OVER

The bill (H. R. 5407) to amend sec. 2879 (b) of the Internal Revenue Code was announced as next in order.

Mr. HENDRICKSON. Over.

Mr. COOPER. Mr. President, I ask unanimous consent that the bill be placed at the foot of the calendar.

Mr. IVES. Mr. President, I object. If the bill is to be considered, I have some substantial amendments to it which I should like to discuss.

The PRESIDING OFFICER. The bill will be passed over.

UNIFORM SYSTEM OF GRANTING INCENTIVE AWARDS—BILL PLACED AT FOOT OF CALENDAR

The bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes, was announced as next in order.

Mr. KNOWLAND. Mr. President, reserving the right to object, I have sent

an amendment to the desk with reference to this bill. Frankly, the amendment is rather substantial, and I think that Members of the Senate who are interested in the proposed legislation should have an opportunity to examine it. Senators know that House bill 7774, the Government employees' pay raise bill, was passed over at the last call of the calendar. I have a series of amendments which I have submitted to the bill.

Mr. GORE. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. GORE. I have been requested to suggest the absence of a quorum before the Senator makes any statement about his amendments.

Mr. KNOWLAND. Then, Mr. President, I request that the bill be placed at the foot of the calendar.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills and joint resolution of the Senate:

S. 1042. An act to abolish the Commission for the Enlarging of the Capitol Grounds;
S. 3017. An act for the relief of Thomas Barron;

S. 3304. An act conferring jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of the Cuban-American Sugar Co. against the United States;

S. 3494. An act for the relief of the Central Railroad Co. of New Jersey;

S. 3744. An act to change the name of Gavins Point Reservoir back of Gavins Point Dam to Lewis and Clark Lake; and

S. J. Res. 170. Joint resolution to approve the conveyance by the Tennessee Valley Authority of certain public-use terminal properties now owned by the United States.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 8498. An act authorizing construction of works to reestablish for the Palo Verde Irrigation District, California, a means of diversion of its irrigation water supply from the Colorado River, and for other purposes; and

H. R. 9709. An act to extend and improve the unemployment compensation program.

The message further announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 9756. An act to increase the borrowing power of Commodity Credit Corporation; and

H. R. 9909. An act to prohibit payment of annuities to officers and employees of the United States convicted of certain offenses.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1665) for the relief of Carl Piowaty and W. J. Piowaty; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JONAS of Illinois, Mr. BURDICK, and Mr. FOR-

RESTER were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9924) to provide for family quarters for personnel of the military departments of the Department of Defense and their dependents, and for other purposes.

RESERVE COMPONENTS OF THE ARMED FORCES OF THE UNITED STATES

The bill (H. R. 6573) to provide for the promotion, precedence, constructive credit, distribution, retention, and elimination of officers of the Reserve components of the Armed Forces of the United States and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KILGORE. Mr. President, does it involve the amendment of the Senator from Maine [Mrs. SMITH]?

Mrs. SMITH of Maine. Yes.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with amendments.

The PRESIDING OFFICER. The first committee amendment will be stated.

The first amendment of the committee was, on page 1, line 5, after the word "of", to strike out "1953" and insert "1954".

The amendment was agreed to.

The next amendment of the committee was, on page 108, line 8, after the word "effective", to strike out "on the first day of January or the first day of July next following the date of enactment of this act, whichever is later", and insert "May 3, 1955".

Mrs. SMITH of Maine. Mr. President, to this committee amendment, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Maine to the committee amendment.

The LEGISLATIVE CLERK. In the committee amendment, on page 108, line 10, it is proposed to strike out "May 3, 1955" and insert in lieu thereof "July 1, 1955."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maine [Mrs. SMITH] to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mrs. SMITH of Maine. Mr. President, I ask unanimous consent that I may have printed in the RECORD a statement with regard to my amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMITH OF MAINE

For many, many years I have been fighting for adequate and realistic measures for the Reservists of our country—for Reserve training pay, for Reserve coverage on death and disability while training, for Reserve retirement benefits, for Reserve recognition for such services in the form of a Reserve Medal.

I have made this fight—an extremely discouraging fight during which time I have felt alone like a voice in the wilderness—because I have sincerely believed that the only way our country can maintain the necessary defense without bankruptcy is through the largest possible, best trained Reserve backing up a small Regular establishment.

I have found that I had to fight every inch of the way over Pentagon resistance. The Pentagon opposed my bill for inactive training pay—but finally agreed to the principle and had a bill of its own ultimately introduced and passed. The Pentagon opposed my Reserve death and disability coverage bill but I finally got it passed over Pentagon opposition and it is now known as the Smith Act. The Pentagon opposed my bill for Reserve retirement but finally agreed to the principle and had a bill of its own ultimately introduced and passed. The Pentagon opposed my proposal that Army Reservists and Air Force Reservists be given Reserve medals for Reserve service just as Naval Reservists are—but finally agreed to the principle by creating an Armed Forces Reserve Medal.

Over 5 years ago I introduced Senate Resolutions 60 and 61 calling for investigations by Congress of the Departments of the Army and Air Force on their failure to develop adequate and realistic Reserve programs and on their administration of the Reserves. Studies have been made since that time and considerable progress has been achieved on improving the Reserve programs.

Now H. R. 6573 is my latest experience with the Pentagon in our differences on getting something done for reservists.

The Congress and the leaders of the executive branch of our Government have at long last come to my 8-year-old national defense thesis of a small Regular force backed by a large, well-trained Reserve and are agreed that the military strength of our country lies in a large and well-trained Reserve to support a relatively small but highly organized Regular Military Establishment. History records that we have won all the war in which we have been engaged and that they have always been fought, in substantial part, by our civilian soldiers.

There have been many efforts over the years to improve the structure of our Reserve. A most significant step in that direction was the enactment of the Reserve Act of 1952 by the 82d Congress. This legislation established the base for the Reserves of the future and endeavored to solve many of the difficult problems encountered when the Reserves were mobilized for operations in Korea.

Recent newspaper stories indicate that the executive branch of our Government is again studying the problems of the Reserves, and we are informed that sometime in the next session of Congress appropriate legislation will be recommended. It appears, however, that these studies are designed primarily to solve the problem of securing

necessary manpower in our Reserve structure to meet our military requirements. We have struggled with this problem in the past under such titles as Universal Military Training and Selective Service. They now call it the new look at the Reserves.

The legislation which we are discussing today is designed not to alter the shape of the Reserve, but to solve a problem with which the Congress has been confronted for several years: How can we encourage and improve the officer structure for the Reserve so that the leaders of our civilian soldiers will remain active in the program and be so screened and handled as to give us a younger, more active, and more efficient officer personnel? One important part of this solution is, for the first time in the Army and the Air Force, to eliminate some of the present undesirable practices which bring about overage-in-grade officers, officers with low morale, and officers whose interest in our Reserve program is steadily decreasing.

Under the impetus of the Reserve Act of 1952, and by specific direction of the chairman of the Armed Services Committee of the House of Representatives, the Department of Defense drafted the legislation which we are considering today. The House Armed Services Committee conducted careful hearings for a period of 8 weeks, during which the services helped perfect the language which is now before you.

In broad principle, this legislation writes into law those regulations developed as a result of the Reserve Act of 1952, which directed that promotion procedures for Reserves should, insofar as is practicable, parallel those of the Regular services. The services have no objection to this part of the legislation. However, this bill has 1 or 2 controversial points which would not exist but for the fact that the Army and the Air Force did not carry out fully the intentions of the 1952 act. Under present law and regulations, Reserve officers of the Army and the Air Force earn no credit for precedence or rank except while serving on active duty. The net result is that many of our excellent Reserve officers of the Army and the Air Force have seen themselves losing ground in relation to Regulars, and have therefore dropped out of the Reserve program. The morale of those officers who have remained has been adversely affected by this system.

This bill does not promote anybody. It does, however, establish a system whereby officers will be given credit for precedence and rank purposes for each year of satisfactory service, and guarantees that periodically Reserve officers will be considered for promotion. If qualified, they will be promoted.

Another point that the Regular Air Force alone objects to is the requirement that Reserve officers serving on active duty should serve in a grade no lower than their permanent Reserve rank. At the present time Reserve officers are serving on active duty in grades lower than their permanent Reserve ranks in both the Army and the Air Force. This bill, if enacted, will begin to solve that problem. In my opinion, it does not go as far as it should, but it is a significant step in the proper direction.

Those portions of the bill that deal with the Navy, the Marine Corps, and the Coast Guard will merely write into law present regulations, with perhaps one or two minor and insignificant deviations. These services have complied fully with the intent of the Reserve Act of 1952. Significantly, we have had few, if any, complaints from Reserves in these services. Unfortunately, the reverse is true in the Army and the Air Force.

Notwithstanding some of the objections from the Regular Establishment, I do not believe, Mr. President, that anyone can argue validly as to the need for the immediate enactment of general personnel legislation of

this type for the Reserves. It will, of course, apply to any organizational structure that is established for the Reserve. It is quite customary for Congress to enact general personnel legislation for Federal employees. We certainly do not hold up such legislation because we do not know what the ultimate organization of the Federal departments will be. Furthermore, I recall quite well that in 1947, when we enacted a similar personnel bill for the Regular Establishment, it was at a time when the Unification Act was being debated in the Congress. Nevertheless, we went right ahead and enacted the Officer Personnel Act for the Regular Establishment, even though we knew that the entire form and shape of the military structure was about to be changed.

Therefore, to me, the suggestion of the Department of Defense that this bill be delayed has no substantive basis. They have based their arguments on such things as that the bill should not be passed until the New Look at the Reserves has been studied by the Congress. By innuendo, they have also tried to say that it is bad legislation. If it is bad legislation, Mr. President, then why did the services say in the House of Representatives that it was satisfactory to them? Yet all the services did so agree.

If it is bad legislation why should the service representatives not have said so before the Senate armed services on April 22, instead of arguing that it should be delayed pending the completion of the New Look at the Reserves?

In fact, Mr. President, why was even that argument used by Dr. John Hannah, the recently departed Assistant Secretary of Defense, who, having argued strongly that the bill should be delayed, stated in response to a question from me that the so-called "New Look at the Reserves" had nothing to do with promotion retirement, or pay? I would like to quote from the report of the hearings held before the Senate Armed Services Committee on July 20. Before the hearings were recessed, and with the approval of the Chair, the following conversation took place, and I quote:

"Senator SMITH. Mr. Chairman, may I ask Dr. Hannah one question?"

"Senator SALTONSTALL. Yes."

"Senator SMITH. Dr. Hannah, do I understand that the so-called New Look at the Reserves does not include anything as to retirement, pay, and promotion?"

"Dr. HANNAH. That is correct."

I personally believe that the reason why the Regulars are fighting this bill so hard is regrettably clear. They simply do not want officers with rank in the Reserves. It is a threat to their ability to accelerate the temporary promotion of Regular officers at a time of full mobilization.

This bill has powerful support by competent persons within the Department of Defense. The Reserve Forces Policy Board, which is a statutory board consisting of the Assistant Secretaries from the various Departments, Regular military personnel, and representatives from the Reserves, considered the bill presently before you, and recommended its adoption. Various policy boards that advise the Secretaries of the several Services have also recommended substantially what is in this bill.

In conclusion, I would like to repeat that we are merely confirming by this legislation, those regulations presently existing within the Services, and trying to establish a method whereby qualified Reserve officers will be able to keep pace with their contemporaries in the Regular military Establishment. In general, it writes into law for Reserve officers the same type of legislation given Regular officers in the Officer Personnel Act of 1947.

I am sure that no Member of this body questions the absolute dependence on and need for our Reserve structure, or the need for qualified officers within that structure.

Without this bill, we will continue to lose our Reserve officers from the Army and the Air Force at an alarming rate. The morale of the Army and the Air Force Reserves will continue to remain low. For them this legislation is vital. The other services will merely continue their present satisfactory systems.

On balance, there can be no other decision by this body than to enact into law this bill, which is opposed by only a few within the regular establishment, which is supported by our civilian components, which has passed the House of Representatives unanimously over a year ago, and which has been unanimously recommended to you by your Senate Armed Services Committee.

THE PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment of the committee was, on page 109, line 11, after the word "of", to strike out "1953" and insert "1954."

The amendment was agreed to.

The next amendment of the committee was, on page 110, line 2, after the word "of", to strike out "1953" and insert "1954."

The amendment was agreed to.

The next amendment of the committee was, on page 111, line 2, after the word "of", to strike out "1953" and insert "1954."

The amendment was agreed to.

THE PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MORSE subsequently said: Mr. President, there has arrived at my desk a letter which was sent to me under date of August 17, 1954. I understand it reached my office a few minutes ago, and came to my desk after the bill in question had been disposed of on the calendar. The letter refers to the bill (H. R. 6573), amending the Reserve Officer Personnel Act. It is Calendar No. 2030. I ask unanimous consent that, without my taking the time to read it, the letter be printed in the RECORD at this point, together with attachments thereto.

I think it is only fair to say to the writer of the letter, who is Lawrence L. Gourley, legal counsel for the American Osteopathic Association, that after his letter arrived at my desk, I checked and found that had I received it in time, and had I offered the amendment he proposed to have made in the bill, the bill would not have passed on this call of the calendar.

The amendment which Mr. Gourley proposes to have made is on page 11, after line 21, to insert the following:

(g) effective on the date of enactment of this act, section 201 of the Army-Navy-Public Health Service Medical Officer Procurement Act of 1947 (61 Stat. 777), is amended by inserting immediately after the word "medicine" wherever used therein, the words "or osteopathy."

I know the amendment would not have passed on the calendar call had I offered it, because I have been so advised in discussions on the floor of the Senate.

Calendar No. 2010, House bill 7774; Calendar 2284, House bill 3534; and Calendar 2313, Senate bill 2564.

The clerk will state the first bill.

CONVEYANCE OF CERTAIN LAND IN ARKANSAS

The bill (H. R. 4017) to provide for the conveyance of certain land and improvements to the England Special School District of the State of Arkansas was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, I asked that the bill go to the foot of the calendar, so that I could study it. I have studied it, and, in my judgment, the bill in no way violates the Morse formula. This is a case in which property was conveyed originally for school purposes. There has been a consolidation of country schools. It is now desired to make use of the value of the property in order to buy fixtures for the new consolidated schools. In my opinion, this is completely in line with the original grant. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BILL PLACED AT FOOT OF CALENDAR

The bill (H. R. 951) for the relief of the Trust Association of H. Kempner was announced as next in order.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that the bill be placed at the foot of the calendar.

The PRESIDING OFFICER. At the foot of the present calendar?

Mr. HENDRICKSON. At the foot of the new calendar to be called. I understand the majority leader intends to call up a new order of bills. I ask that this bill go to the foot of that call.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNIFORM SYSTEM OF GRANTING INCENTIVE AWARDS

The bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes, was announced as next in order.

Mr. KNOWLAND. Mr. President, this is the postal-pay-increase bill. An amendment which I have had prepared is at the desk.

I understand that the Senator from Tennessee [Mr. GORE] desires to suggest the absence of a quorum.

Mr. GORE. Does the Senator from California desire to complete action on the other bills?

Mr. KNOWLAND. I should prefer to have this bill considered now, because I must attend conferences later.

Mr. GORE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	McCarran
Anderson	Hayden	McCarthy
Barrett	Hendrickson	McClellan
Beall	Hennings	Millikin
Bennett	Hickenlooper	Monroney
Bowring	Hill	Morse
Bricker	Holland	Mundt
Bush	Humphrey	Murray
Butler	Ives	Neely
Carlson	Jackson	Pastore
Case	Johnson, Colo.	Payne
Chavez	Johnson, Tex.	Potter
Clements	Johnston, S. C.	Purtell
Cooper	Kefauver	Reynolds
Cordon	Kennedy	Robertson
Crippa	Kerr	Russell
Dirksen	Kilgore	Saltonstall
Duff	Knowland	Schoeppel
Dworshak	Kuchel	Smathers
Ellender	Langer	Smith, Maine
Ervin	Lehman	Smith, N. J.
Ferguson	Lennon	Stennis
Frear	Long	Symington
Fulbright	Magnuson	Thye
George	Malone	Watkins
Goldwater	Mansfield	Williams
Gore	Martin	Young

The PRESIDING OFFICER (Mr. Ives in the chair). A quorum is present.

Mr. KNOWLAND. Mr. President, there has been placed at the desk a copy of the amendments which I have prepared to the bill. I have also given a copy of the amendments to the distinguished chairman of the committee, the Senator from Kansas [Mr. CARLSON].

Mr. GORE. Mr. President, a point of order. The bill has not been stated.

The PRESIDING OFFICER. The bill was stated before the quorum call.

Mr. GORE. It was?

The PRESIDING OFFICER. Yes.

Mr. KNOWLAND. Yes, it was stated, and I was reserving the right to object.

Grade	Per annum rates						
GS-1	\$2,500	\$2,580	\$2,660	\$2,740	\$2,820	\$2,900	\$2,980
GS-2	2,750	2,830	2,910	2,990	3,070	3,150	3,230
GS-3	3,000	3,080	3,160	3,240	3,320	3,400	3,480
GS-4	3,250	3,330	3,410	3,490	3,570	3,650	3,730
GS-5	3,600	3,725	3,850	3,975	4,100	4,225	4,350
GS-6	4,000	4,125	4,250	4,375	4,500	4,625	4,750
GS-7	4,440	4,525	4,650	4,775	4,900	5,025	5,150
GS-8	4,800	4,925	5,050	5,175	5,300	5,425	5,550
GS-9	5,300	5,425	5,550	5,675	5,800	5,925	6,050
GS-10	5,800	5,925	6,050	6,175	6,300	6,425	6,550
GS-11	6,400	6,600	6,800	7,000	7,200	7,400	
GS-12	7,500	7,700	7,900	8,100	8,300	8,500	
GS-13	8,800	9,000	9,200	9,400	9,600	9,800	
GS-14	10,200	10,400	10,600	10,800	11,000	11,200	
GS-15	11,600	11,850	12,100	12,350	12,600		
GS-16	12,800						
GS-17	13,800						
GS-18	14,800						

"(c) (1) The compensation schedule for the crafts, protective, and custodial schedule shall be as follows:

Grade	Per annum rates						
CPC-1	\$1,810	\$1,870	\$1,930	\$1,990	\$2,050	\$2,110	\$2,170
CPC-2	2,420	2,490	2,560	2,630	2,700	2,770	2,840
CPC-3	2,552	2,632	2,712	2,792	2,872	2,952	3,032
CPC-4	2,750	2,830	2,910	2,990	3,070	3,150	3,230
CPC-5	3,000	3,080	3,160	3,240	3,320	3,400	3,480
CPC-6	3,250	3,330	3,410	3,490	3,570	3,650	3,730
CPC-7	3,600	3,700	3,800	3,900	4,000	4,100	4,200
CPC-8	4,000	4,125	4,250	4,375	4,500	4,625	4,750
CPC-9	4,400	4,525	4,650	4,775	4,900	5,025	5,150
CPC-10	4,800	4,925	5,050	5,175	5,300	5,425	5,550

"(2) Charwomen working part time shall be paid at the rate of \$2,700 per annum, and head charwomen working part time at the rate of \$2,840 per annum."

On page 9, lines 8 and 9, strike out "as provided in this section, he shall continue to receive basic compensation", and insert, "he shall receive a rate of basic compensation at the maximum longevity rate of his grade as provided in this section, or his existing rate, whichever is greater."

The Senate knows that H. R. 7774, the Government employees' pay-raise bill, was passed over on the last call of the calendar. I have a series of amendments which I intend to submit to the bill en bloc, but before I do so, I wish to make a few remarks in explanation of the administration's policy on the pay-raise bill. As the Senate knows, the House of Representatives—

The PRESIDING OFFICER. The Chair apologizes for interrupting the Senator from California, but there must be order in the Senate Chamber. The Chair does not think the Senator can be heard. Those who are conversing will kindly cease to converse.

The Senator from California will resume.

Mr. KNOWLAND. I thank the Chair, because my voice is still a little hoarse from a cold. It may be my fault as much as the noise in the Senate.

The Senate knows H. R. 7774, the Government employees' pay-raise bill, was passed over on the last call of the calendar. I have a series of amendments which I intend to submit to the bill en bloc, and then I wish to make a few remarks in explanation of the administration's policy on the pay-raise bill subject.

I ask unanimous consent to have the series of amendments proposed to be offered by me printed in the RECORD at this point.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

On page 7 beginning with line 13, strike out over through line 5 on page 8, and insert the following:

"(b) The compensation schedule for the General Schedule shall be as follows:

On page 9, lines 20 and 21, strike out "as provided in this section, he shall continue to receive basic compensation" and insert, "he shall receive a rate of basic compensation at the maximum scheduled rate of his grade as provided in this section, or his existing rate, whichever is greater."

On page 10, line 11, strike out "5 percent" and insert "3½ percent."

On page 10, lines 12 and 13, strike out

"\$440 per annum or less than \$170 per annum", and insert "\$410 per annum."

On page 11, line 1, strike out "5" and insert "3½."

On page 11, beginning with the comma in line 10, strike out down through the words "per annum" in line 12.

On page 11, line 15, strike out "\$12,086" and insert "\$12,056."

On page 11, line 20, strike out "\$2,160" and insert "\$1,380."

On page 11, line 22, strike out "\$2,400" and insert "\$1,620."

On page 11, line 25, strike out "\$3,120" and insert "\$1,860."

On page 12, line 3, strike out "\$3,180" and insert "\$1,920."

On page 12, line 10, strike out "\$6,180" and insert "\$6,060."

On page 12, line 11, strike out "\$7,620" and insert "\$7,560."

On page 12, line 12, strike out "\$8,640" and insert "\$8,580."

On page 12, line 20, strike out "5" and insert "3½."

On page 12, line 21, strike out "\$440 per annum" and insert "\$410 per annum."

On page 12, strike out line 22.

On page 13, line 8, strike out "5" and insert "3½."

On page 14, line 2, strike out "\$14,240" and insert "\$14,210."

On page 14, line 8, strike out "5" and insert "3½."

On page 14, lines 9 and 10, strike out "\$440 per annum or less than \$170 per annum" and insert "\$410 per annum."

On page 14, line 13, strike out "\$13,240" and insert "\$13,210."

On page 14, line 16, strike out "5" and insert "3½."

On page 14, line 17, strike out "\$440" and insert "\$410 per annum."

On page 14, line 18, strike out line 18.

On page 15, strike out lines 10 to 23, inclusive.

Renumber sections 202 to 207, inclusive, as sections 201 to 206, respectively.

"Sec. 207. (a) The Postmaster General is authorized and directed to make a thorough investigation and study of various methods for the classification of positions and the determination of salaries in the postal field service and all matters relating thereto (including personnel and pay benefits and administration), in order to provide a plan (to be submitted by the Postmaster General to, and to be subject to review by, the Congress, in accordance with the provisions of this section and section 10) for the establishment of a uniform, integrated, and equitable classification and pay system for all postmasters, officers, employees, and positions in the postal field service. Such classification and pay plan for the postal field service shall provide a method for determining the rates of basic compensation which postmasters, officers, and employees shall receive under which—

"(1) the principle of equal pay for substantially equal work shall be followed; and

"(2) variations in rates of basic compensation paid to different postmasters, officers, and employees shall be in proportion to substantial differences in the difficulty, responsibility, and qualification requirements of the work performed and to the contributions of postmasters, officers, and employees to efficiency and economy in the postal field service.

Such plan shall contain compensation schedules which set forth the various grades to which positions in the postal field service are to be allocated and provide the rates of basic compensation, and the ranges of such rates, which are to be applicable to such grades. Such plan also shall contain provisions which—

"(A) grant to personnel in the postal field service the right to obtain appropriate re-

view by the Civil Service Commission of all classifications of their positions:

"(B) prohibit reductions in the rates of basic compensation of personnel on the rolls on the date such plan (or any part thereof) becomes operative, by reason of the institution and operation of such plan (or any part thereof);

"(C) prohibit reductions in rates of basic compensation of any personnel, by reason of any classification actions taken at any time under authority of such plan with respect to the positions occupied by such personnel, so long as such personnel remain in the same positions and are assigned to perform and do perform work of the same level of difficulty, responsibility, and qualification requirements as the work which they were performing in such positions; and

"(D) preserve for personnel in the postal field service on the rolls on the date such plan (or any part thereof) becomes operative the increases in rates of basic compensation provided by this act.

Such plan also may contain such provisions and proposals consistent with the purposes of this section as the Postmaster General deems advisable in the light of the needs of the Post Office Department, the best interests of personnel in the postal field service, and the public interest.

"(b) In the light of and pursuant to the investigation and study made under subsection (a) and in accordance with the purposes of such subsection, the Postmaster General shall transmit to the Congress, on or before March 15, 1955, a classification and pay plan for the postal field service. Such plan shall be prepared with due regard for the legislative forms and procedures of the Congress and shall be accompanied by an appropriate written explanation of the provisions, objects, purposes, and effects thereof. The delivery of such plan and explanation thereof shall be made to both Houses on the same day.

"(c) Except as may be otherwise provided pursuant to subsection (e) of this section, the provisions of such classification and pay plan for the postal field service shall take effect upon the expiration of the first period of 60 calendar days of continuous session of the Congress, following the date on which such plan is transmitted to the Congress; but only if, between the date of transmittal and the expiration of such period of 60 days there has not been passed by either of the two Houses, by affirmative vote of a majority a quorum being present, a resolution stating in substance that that House does not favor such plan.

"(d) For the purposes of subsection (c) of this section—

"(1) continuity of session shall be considered as broken only by an adjournment of the Congress sine die; but

"(2) in the computation of the 60-day period, there shall be excluded the days on which either House is not in session because of an adjournment of more than 3 days to a day certain.

"(e) Any provision of the plan may, under provisions contained in the plan, be made operative at a time later than the date on which the plan shall otherwise take effect.

"(f) If, such classification and pay plan becomes effective, such plan shall be printed in the Statutes at Large in the same volume as the public laws and shall be printed in the Federal Register.

"(g) Any increase in rate of basic compensation by reason of the institution and operation of such classification and pay plan for the postal field service shall not be considered as an 'equivalent increase' in compensation within the meaning of section 701 of the Classification Act of 1949, as amended, in the case of postmasters, officers, and employees in the postal field service who transfer or are transferred to positions within

the purview of the Classification Act of 1949, as amended.

"Sec. 208. (a) This section is enacted by the Congress:

"(1) As an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such it shall be considered as part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in such House in the case of resolutions (as defined in subsection (b) of this section); and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(2) With full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

"(b) As used in this section and section 207, the term 'resolution' means only a resolution of either of the two Houses of Congress, the matter after the resolving clause of which is as follows: 'That the _____ does not favor the postal field service classification and pay plan transmitted to Congress by the Postmaster General.', the blank space therein being filled with the name of the resolving House.

"(c) All resolutions with respect to the postal field service classification and pay plan shall be referred, by the President of the Senate or the Speaker of the House of Representatives, only to the Committee on Post Office and Civil Service of the Senate or the Committee on Post Office and Civil Service of the House of Representatives, as the case may be.

"(d) If the committee to which has been referred a resolution with respect to such postal field service classification and pay plan has not reported such resolution before the expiration of 10 calendar days after its introduction, it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution, or to discharge the committee from further consideration of any other resolution with respect to such postal field service classification and pay plan which has been referred to the committee.

"(e) Such motion may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the plan), and debate thereon shall be limited to not to exceed 1 hour, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed or disagreed to.

"(f) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the plan.

"(g) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to the plan, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

"(h) Debate on the resolution shall be limited to not to exceed 10 hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to

recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(i) All motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to the plan, and all motions to proceed to the consideration of other business, shall be decided without debate.

"(j) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to the plan shall be decided without debate.

"SEC. 209. In the exercise of the authority granted by section 81 of title 2 of the Canal Zone Code, as amended, the Governor of the Canal Zone is authorized to adopt the postal field service classification and pay plan, or any part thereof, made operative pursuant to sections 9 and 10 of this act, as of the date or dates such plan, or any part thereof, becomes operative, for postal employees of the Canal Zone Government. The Postmaster General shall make available to the Governor of the Canal Zone copies of such matter relating to such plan as may be necessary to carry out the purposes of this section, including descriptions of positions and rates of compensation provided for therein."

On page 23, beginning with line 7, strike out over through line 23 on page 24, and insert the following:

On page 24, line 24, strike out "Sec. 209" and insert "Sec. 210."

On page 25, line 3, strike out "Sec. 210" and insert "Sec. 211."

On page 25, line 4, strike out "Sections 206 and 208" and insert "Section 205."

On page 25, line 6, strike out "202, 204, and 205" and insert "201, 203, and 204."

On page 25, line 9, strike out "203 and 209" and insert "202 and 210."

On page 25, line 12, strike out "207" and insert "206."

On page 25, after line 15, insert the following:

"TITLE III—POSTAL RATES

"FIRST-CLASS MAIL

"SEC. 301. (a) The rates of postage on mail matter of the first class (other than postal cards and private mailing or post cards) shall be as follows:

"(1) 4 cents for the first ounce or fraction thereof, and 3 cents for each additional ounce or fraction thereof, when mailed for delivery at any destination other than the office of mailing;

"(2) 3 cents for each ounce or fraction thereof, when mailed for local delivery at the office of mailing, except as prescribed in paragraph (3) of this subsection; and

"(3) 2 cents for each ounce or fraction thereof, when mailed for local delivery at post offices where free delivery by carrier is not established and when the matter is not collected or delivered by rural or star route carriers.

"(b) In the case of first-class matter mailed without prepayment of any postage or without prepayment of the full amount of postage due, the Postmaster General is authorized to prescribe by regulation the conditions under which such matter shall be delivered to the addressee or returned to the sender. The conditions so prescribed shall be stated in such manner as to permit delivery of such mail to the addressee whenever it is practicable to do so consistent with the collection of the charges prescribed in accordance with subsection (c) of this section.

"(c) The Postmaster General is authorized to prescribe by regulation from time to time the charges to be collected on delivery in the case of any matter of the first class mailed without prepayment of any postage or without prepayment of the full amount of postage due. In determining

such charges, the Postmaster General shall take into consideration the postage actually due, and, to the extent practicable, the additional expense incurred by reason of the failure to pay the applicable postage and the desirability of minimizing the incidence of such mailings.

"(d) Regulations issued by the Postmaster General under subsections (b) and (c) shall, to the extent prescribed therein, supersede existing laws, regulations, and orders governing the subject matter covered thereby.

"(e) Section 12 (a) of the act of October 30, 1951 (39 U. S. C., sec. 246f (a)), is amended by inserting before the period at end thereof a semicolon and the following:

"(9) for returning undeliverable letters and parcels of the first class from the dead-letter office to the senders."

"SECOND-CLASS MAIL

"SEC. 302. (a) Section 2 (a) of the Act of October 30, 1951 (39 U. S. C., sec. 289a), is amended by striking out the word 'and' immediately following 'April 1, 1953' and by inserting before the colon immediately following 'April 1, 1954' a comma and the following: '(4) by an additional 10 per centum, based on rates now in force, beginning on April 1, 1955, (5) by an additional 10 per centum, based on rates now in force, beginning on April 1, 1956, and (6) by an additional 10 per centum, based on rates now in force, beginning on April 1, 1957'. The term 'rates now in force', as used in the amendments made by this subsection to section 2 (a) of such Act of October 30, 1951, means the rates in force immediately prior to April 1, 1952.

"(b) The rates increased by subsection (a) of this section shall be subject to a minimum charge of one-fourth of 1 cent computed on each individually addressed copy or package of unaddressed copies.

"(c) The rates of postage on copies of publications having second-class entry mailed by others than the publishers or authorized news agents, sample copies mailed by the publishers in excess of the 10 per centum allowance entitled to be sent at the pound rates, and copies mailed by the publishers to persons who may not be included in the required legitimate list of subscribers, shall be, in the case of publications weighing 8 ounces or less, the applicable rates now or hereafter prescribed by law on third-class matter, and, in the case of publications weighing in excess of 8 ounces, the applicable rates now or hereafter prescribed or authorized by law on fourth-class matter.

"THIRD-CLASS MAIL

"SEC. 303. (a) The rates of postage on third-class matter shall be 3 cents for the first two ounces or fraction thereof, and 1½ cents for each additional ounce or fraction thereof up to and including 8 ounces in weight, except that on matter mailed by religious, educational, scientific, philanthropic, agricultural, labor, veterans, or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, the rates shall be as follows:

"(1) 1½ cents for each 2 ounces or fraction thereof on books and catalogs of twenty-four pages or more, seeds, cuttings, bulbs, roots, scions, and plants not exceeding 8 ounces in weight; and

"(2) 2 cents for the first 2 ounces or fraction thereof, and 1 cent for each additional ounce or fraction thereof, on all other third-class matter.

"(b) Upon payment of a fee of \$50 for each calendar year or of \$15 for each quarter of a calendar year and under such regulations as the Postmaster General may prescribe for the collection of postage and for facilitating the handling of such matter in the mails, separately addressed identical pieces of third-class matter in quantities of not less than

twenty pounds, or of not less than two hundred pieces, may be mailed at pound rates of postage applicable to the entire bulk mailed at one time. The rate of postage on third-class matter mailed in bulk under this subsection shall be 16 cents for each pound or fraction thereof with a minimum charge per piece of 1½ cents, except that in the case of books and catalogs of twenty-four pages or more, seeds, cuttings, bulbs, roots, scions, and plants the rate shall be 10 cents for each pound or fraction thereof with a minimum charge per piece of 1½ cents. The rate of postage on third-class matter mailed in bulk under this subsection but without individual addresses for delivery under regulations prescribed by the Postmaster General shall be subject to a minimum charge per piece of 2 cents. The rates of postage prescribed by this subsection shall not apply with respect to matter mailed by religious, educational, scientific, philanthropic, agricultural, labor, veterans, or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, and the existing rates of postage shall continue to apply with respect to such matter.

"(c) Pieces or packages of third-class mail of such size or form as to prevent ready facing and tying in bundles and requiring individual distributing throughout shall be subject to a minimum charge of 5 cents each.

"CONTROLLED CIRCULATION PUBLICATIONS

"SEC. 304. The rate of postage on the publications defined in section 203 of the act of July 3, 1948 (39 U. S. C., sec. 291b), when mailed by the publisher and regardless of the weight of individual copies, shall be 11 cents for each pound or fraction thereof, computed on the entire bulk mailed at one time, but not less than 1½ cents per piece, which rate shall remain in effect until otherwise provided by Congress: *Provided*, That the rate of postage on copies of such publications when mailed by other than the publishers, or when forwarded to the addressee or returned to the sender, shall be 3 cents for the first 2 ounces and 1½ cents for each additional ounce.

"DOMESTIC AIRMAIL

"SEC. 305. The rate of postage on domestic airmail as defined in section 2 of the act of August 14, 1946 (39 U. S. C., sec. 462a), weighing 8 ounces or less (except postal cards and private mailing or postcards) shall be 7 cents for each ounce or fraction thereof.

"DETERMINATION OF CLASS OF POST OFFICE AND COMPENSATION OF POSTMASTER AND CERTAIN EMPLOYEES

"SEC. 306. (a) On and after January 1, 1955, 85 percent of the gross postal receipts of all classes of post offices shall be counted for the purpose of determining the class of the post office or the compensation or allowances of postmasters or other employees whose compensation or allowances are based on the annual receipts of such offices. Nothing contained in this subsection shall operate to decrease the compensation or allowances in effect on the effective date of this subsection for postmasters and other employees in the postal field service on such date whose compensation or allowances are based upon the annual receipts of such offices.

"(b) In the case of the post office at Washington, District of Columbia, the Postmaster General may, in his discretion, add to the gross receipts of such office counted for the purposes of subsection (a) of this section not to exceed 75 percent of such gross receipts.

"(c) Notwithstanding any other provision of law, the salaries of postmasters at fourth-class post offices, as fixed by law, shall be deemed and taken to be full compensation for the clerical labor in the issuance of money orders at such offices.

"REPEAL OF EXISTING PROVISIONS OF LAW"

"SEC. 307. (a) The following provisions of law are hereby repealed:

"(1) Section 202 (a) (4) of the act of February 28, 1925, as amended by section 4 of the act of May 29, 1928 (39 U. S. C., sec. 283);

"(2) Section 204 of the act of February 28, 1925 (39 U. S. C., sec. 288);

"(3) Section 2 (d) of the act of October 30, 1951 (39 U. S. C., sec. 289a (d)).

"(b) All laws or parts of laws inconsistent with this act are hereby repealed or modified to the extent of such inconsistency.

"APPLICATION TO GUAM"

"SEC. 308. This title shall have the same force and effect within Guam as within other possessions of the United States.

"EFFECTIVE DATES"

"SEC. 309. This title shall take effect on January 1, 1955, except that section 302 (a) and (b) shall take effect on April 1, 1955."

Mr. KNOWLAND. Mr. President, as the Senate knows, the House of Representatives, through the means of a discharge petition, sent to the Senate a pay-raise bill for postal employees alone which amounted to a 7-percent increase for those employees. This action was taken despite the clear indication that the President would not sign any pay-raise legislation unless legislation was also enacted to provide for the increased revenues to the Government to pay for such increases.

The Senate Committee on Post Office and Civil Service has reported a general pay-raise bill to the Senate, H. R. 7774, which provides for a 5-percent pay increase for all classified and postal workers as well as for legislative and judicial employees. This bill while in line with administration policy as to percentage of pay increase for postal employees does not provide for any Government revenues and, therefore, does not meet with the specifications that would assure the President's approval.

Without taking the time of the Senate to explain all of the amendments I am submitting to H. R. 7774, I want to say in general that the amendments provide for a 5 percent average increase for postal employees, and a 3½ percent average increase for classified, legislative, and judicial employees. In addition, the amendments provide for a job reclassification for postal and classified employees. The amendments also provide for postal rate increases in first-, second-, and third-class mail.

If these amendments are adopted by the Senate I intend to ask unanimous consent to have the bill reprinted with the amendments attached so they would be available for study tomorrow.

I wish to assure the Senate that if the amendments are agreed to the bill will be called up on motion sometime either tonight or tomorrow. For the bill to become law amendments are needed which would provide for revenues offsetting the expenditures.

I ask unanimous consent to have printed in the RECORD, data pertaining to postal salaries and rates.

There being no objection, the data were ordered to be printed in the RECORD, as follows:

Postage rate on letters is the same as it was in 1932—22 years ago.

In the meantime there have been five general wage increases and another is under consideration.

All postal costs have gone up 100 percent. If the letter rate was fair in 1932, it is obviously too low now.

Postal cards were increased from 1 cent to 2 cents in 1952.

In 1951 the Senate (S. 1046) approved an increase from 3 cents to 4 cents on the 1st ounce of 1st-class mail. This was later amended in conference.

First-class mail is the premium postal service and because of its preferential treatment has always paid more than its out-of-pocket cost.

In 1945 this margin of revenue was over 60 percent. Now it's down to less than 10 percent.

There is an actual loss in the handling of the first ounce of non-local first-class mail. The margin of revenue is provided by local mail and extra postage on heavier letters.

An increase of 1 cent on first ounce only of nonlocal first-class mail will produce \$159 million of additional revenue.

AIR MAIL

Increase from 6 cents to 7 cents an ounce to preserve relationship to ordinary letters.

Increase will produce \$15.6 million of additional revenue.

SECOND-CLASS MAIL

Loses \$247 million a year.

Pays only 22 percent of its cost.

Does not pay the cost of transportation alone.

Second-class rates are only about 3 percent higher than in 1932.

Increases since 1951 only restored decreases made in 1934.

Proposed increase will produce only \$13 million a year.

This will recover only about 5 percent of the present loss.

After this increase second-class mail will still be losing over \$233 million a year.

THIRD-CLASS MAIL

This is business mail.

Consists mostly of advertising circulars and small merchandise.

It is losing over \$162 million a year.

It pays only 58 percent of its cost.

There is no reason why the taxpayer should pay private advertising and business expense.

The proposed increase will produce \$44 million additional revenue.

After this increase third-class mail will still be losing \$118 million.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. GORE. Will the Senator give a further explanation of his phrase "if we may have amendments in the bill"? Does the Senator mean that the committee must act again?

Mr. KNOWLAND. No. I recognize from the practical point of view that this is a rather complex subject, and there may be Senators who are on perfectly sound ground in not wanting to adopt under the unanimous-consent procedure, amendments which are fairly complex.

What I have in mind is that in view of the fact we are getting close to the end of the session, I believe there is a desire on the part of the Senate and of the Congress to have a postal pay increase. I am sure that the administration would like to see a postal pay increase provided there could be offsetting revenue to take care of the increased expense.

There was some objection, as I understand—and I can fully understand it—on the part of some of the postal organizations, to the original plan proposed by the Postmaster General for a classification arrangement by which he would have the final and, we might say, the exclusive authority.

In the Rees bill, I believe it was, in the House, that was changed and it was provided that such classification arrangement would have to come back to the two Houses of Congress, and one or the other House by majority vote would have to approve any such classification. So the Congress would be given control over that situation in case they felt any inequity was being done.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. SMATHERS. Is section 207 of the Senator's amendment what is commonly known as the Summerfield reclassification?

Mr. KNOWLAND. No. As I understand, that is the original reclassification plan of Mr. Summerfield, except as changed and modified by the House committee, I believe under the chairmanship of Mr. REES of Kansas and other Members of the House who felt that the Congress itself should have a voice in the matter and, we might say, almost a veto over what was done.

Mr. SMATHERS. As I understand, it is the same proposal as originally submitted by the Postmaster General, with the exception that there are two clauses which require final approval by the House and the Senate.

Mr. KNOWLAND. I should say that is correct, but the distinguished Senator from Kansas [Mr. CARLSON], and I am sure the distinguished ranking minority member of the Committee on Post Office and Civil Service, the Senator from South Carolina [Mr. JOHNSTON], who have lived with this problem for many years, would be able to throw more light, on the subject than the majority leader.

I have stated the general objective of the amendments which I have offered.

Mr. CARLSON. Mr. President, as I understand the situation at the present time, the distinguished majority leader has now submitted some amendments, to be reprinted as a part of the original bill which our committee introduced, providing a pay increase for postal and classified workers. No action will be taken at this time, but the majority leader has assured us he plans to take up the bill later today or tomorrow. Is that correct?

Mr. KNOWLAND. That is correct, the bill when it comes back from the printer, so every Member may see how the amendments fit into the postal pay and the classified pay bill which was reported.

Mr. CARLSON. Mr. President, under those circumstances, I do not see any reason for discussing the amendments at this time, because we shall take them up as we come to them when the matter is before the Senate.

Mr. MONRONEY. Mr. President, will the distinguished majority leader yield to me for a question?

Mr. KNOWLAND. I yield.

Mr. MONRONEY. If I correctly understood, as I attempted to follow the distinguished majority leader, if the procedure which he is now advocating is permitted, the bill (H. R. 7774) will not come to the Senate as it was reported unanimously by the Post Office and Civil Service Committee; is that correct?

Mr. KNOWLAND. The Senator is correct.

Mr. MONRONEY. If I follow the distinguished majority leader, we shall then be asked to vote not on the bill as reported to the Senate, but on a bill which has been modified by unanimous consent on the consent calendar, to incorporate the so-called Knowland amendments, which not only change the pay scale for some nearly 2 million civil service workers who were given a 5 percent increase in the bill reported by the Senate committee, but which give the \$10,000 civil service workers an 8 percent increase amounting to \$800, give the 2 lowest grades, which are most in need of this cost-of-living increase, absolutely no increase, and give grade 3 only a 1.7 percent increase, or \$50 a year, and GS-4 an increase of only 3.2 percent. But the 8 percent goes to the \$10,000 workers and gives them a \$800 increase in pay.

Now we are being asked, as I understand the proposed procedure, to completely revise, completely reverse, and completely tear up, with the possible exception of the 5 percent given to the 600,000 postal workers, the 5 percent increase the Senate has voted. As I understand, we are also being asked to accept an amendment which violates the traditional, historic, and emphatic position of the House of Representatives and of the House Committee on Post Office and Civil Service, namely, that all revenue-raising bills must originate in the House of Representatives, and, in the case of revenue-raising bills which relate to postal revenues, in the House Committee on Post Office and Civil Service. That is because of the prerogative of the House, under the Constitution, to originate all revenue-raising legislation.

During the years in which I was privileged to serve in the House of Representatives and on the Committee on Post Office and Civil Service, the House refused even to sit in conference with the Senate to consider any postal-rate-increase measures which had not originated in the House of Representatives. That objection was made on the basis that in such case the Senate would have presumed to arrogate to itself the prerogative of the House to originate all revenue-raising measures.

Consequently, the proposed amendment of the distinguished majority leader, no matter how well intentioned it may be, would reverse, in my opinion, the time-honored and respected prerogative of the House of Representatives and its Committee on Post Office and Civil Service.

In the Senate committee we took testimony from numerous witnesses; we have had the bill before us since the first of last year. In view of the fact that we recognized we had no jurisdiction over revenue-raising provisions unless they

originated in the House of Representatives, we took no action on such phases of the bill.

After the hearings we reported a bill; and that bill, with the exception of the provision in regard to the 600,000 postal workers, is as different as day is from night from the—

The PRESIDING OFFICER. The Chair must apologize for interrupting, but the Chair must call attention to the fact that the Senate is now considering the Consent Calendar. The Chair suggests that if this colloquy is to continue, unanimous consent be obtained for that purpose.

Mr. KNOWLAND. Mr. President, I do not wish to trespass too much on the Consent Calendar. However, I ask unanimous consent that 20 minutes be allowed for discussion of the amendments. In that way, I think we can at least clear up some of the points.

The PRESIDING OFFICER. Is there objection?

Mr. GORE. Mr. President, reserving the right to object, let me say that the Consent Calendar procedure is a very special one. I also recognize that the present situation is not only a very special one, but an extraordinary one.

I shall not object; but it would appear to be the more orderly procedure if the bill were to be called up in the regular way and the amendments were then to be offered. At that time each Member of the Senate who addressed the Chair could be recognized, whereas under the rule, during the call of the Consent Calendar, each Senator is entitled to only 5 minutes on any measure on the calendar.

However, if at this time we give unanimous consent for one Senator to have 20 minutes, shall we grant unanimous consent for another Senator to have 20 minutes, and then for another Senator to have 20 minutes, and perhaps for another Senator to have 1 hour; or will all other Senators be limited to 5 minutes?

I shall not object; but—

Mr. KNOWLAND. Mr. President, I withdraw my request.

The PRESIDING OFFICER. The request of the Senator from California is withdrawn.

Mr. THYE. Mr. President, before the request is withdrawn, I wish to say that, while we are faced with some very complex amendments, we should dispose of this question before the Senate adjourns. I think the majority leader's request was an intelligent and wise one, for the reason that in 20 minutes there could be placed before this body some of the fundamentals in connection with the bill, and thereafter, during the remainder of the calendar, we would have an opportunity to study them. After the calendar call, we could resume consideration of the bill, under a motion to take it up. In that way I believe we would approach the bill in a manner by means of which we would understand what we were doing.

I did not understand the relief amendments at the moment they were explained; I did not even understand what we were faced with.

Mr. HENDRICKSON. Mr. President, I share the view of the distinguished

Senator from Tennessee [Mr. GORE]. When we are on the Consent Calendar, I think we should continue with it, and hold to its ground rules.

So I would object to such a unanimous-consent request, during the call of the calendar.

The PRESIDING OFFICER. Objection is heard.

Is it desired to have the bill placed at the foot of the calendar?

Mr. HENDRICKSON. Yes, Mr. President; I ask unanimous consent that the bill be placed at the foot of the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. Mr. President, will the Senator from New Jersey withhold his request, until I can propound a parliamentary inquiry?

Mr. HENDRICKSON. I withhold my request, Mr. President.

The PRESIDING OFFICER. The Senator from New Jersey has withheld his request.

Mr. MORSE. Then, Mr. President, I wish to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. MORSE. I understand that the majority leader intends to bring up the bill by motion, anyway, and that he desires to have the amendments sent to the desk and printed.

Is there any reason why the majority leader could not, while the bill is still on the unanimous-consent calendar, send the amendments to the desk and request that they be printed, so that they will be available to the Senate at the time when the Senator from California moves to have the Senate consider the bill?

Mr. KNOWLAND. Mr. President, if the Senator from Oregon will yield to me at this point, let me say that the amendments themselves have been printed. They are identified by the letter "I," and are marked "Amendments intended to be proposed by Mr. KNOWLAND to the bill (H. R. 7774)." So the amendments have been printed and are available to all Senators.

What I had in mind is not an unusual procedure during the call of the Consent Calendar. It is done in regard to bills which some Senators might consider to be lesser measures, and I am frank to admit that perhaps they are of lesser importance.

When the distinguished Senator from Oregon endeavors to have the so-called Morse formula included as a part of a bill, that is the procedure which customarily is followed; and when the Senator from Nevada [Mr. McCARRAN] rises to object because of the inclusion in certain bills of provisions calling for the payment of attorneys' fees, and states that he will object unless that provision is stricken from the bills, unanimous consent is frequently given to permit an explanation to be made during the calendar call.

From a practical point of view, although of course the House could pass the postal pay bill, I believe—and I say this in all frankness—that unless revenues are provided for in that connection,

such a bill would not be signed into law.

I have been endeavoring to ascertain—and in that connection I have consulted insofar as I could—whether a formula could be devised, so that at this session of Congress the postal pay bill could be acted upon in such a way that pay increases would be provided, but at the same time there would be provision for offsetting revenues, so that the President would feel justified in signing the bill into law. I take that position, even though the bill may not provide for all the postal workers or employees may wish to have provided for them.

Mr. PASTORE. Mr. President, will the Senator from California yield to me?

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. MORSE. Mr. President, I have yielded the floor.

The PRESIDING OFFICER. Then the question is whether there is objection to the unanimous-consent request of the Senator from California.

The Chair understood objection to be made by the Senator from New Jersey [Mr. HENDRICKSON].

Mr. PASTORE. Mr. President, will the majority leader yield to me for a question?

The PRESIDING OFFICER. The time of the majority leader has expired.

Mr. KNOWLAND. Then I will yield for a question in the time of the Senator from Rhode Island, if that is permissible.

Mr. PASTORE. Mr. President, my point is—

The PRESIDING OFFICER. Senators will please resume their seats until the Chair can ascertain which Senator has the floor.

Mr. PASTORE. Mr. President—

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PASTORE. I am trying to determine whether it is the intention of the majority leader that unless the Senate accepts his amendment by unanimous consent, he does not propose to have the bill considered during the call of the Consent Calendar. Am I correct as to that?

Mr. KNOWLAND. No; I do not say that. But I say we have a number of bills, many of them of substantial importance, in which many Senators have expressed an interest. How many of the bills can be scheduled for consideration by the Senate after we have concluded action on the last of the conference reports, will depend to some extent at least on the amount of time and debate which will be involved, and on whether in the judgment of the Senate and the judgment of the policy committee, it will be possible to have such bills enacted into law, instead of merely being passed as more or less an empty gesture.

I believed that if we could amend the bill, so that sufficient revenues would be provided, so as to assure that the postal pay bill would be signed into law, then, instead of merely taking up a considerable amount of time, we might be able to pass the bill and thus provide for a postal-pay increase.

Mr. PASTORE. Does that not put us in such a position that, unless we vote

on this as a package deal, accepting the amendments of the Senator from California to the bill which was reported by the Senate committee, we shall either have them both or none at all?

Mr. KNOWLAND. I do not think that would be the situation at all. I have tried to be helpful, despite the fact that I know my efforts could be misconstrued and subjected to considerable objection. I am willing to take that responsibility.

The Senator knows, in the first place, that on the call of the calendar any Senator may object either to amendments being adopted or to the bill being taken up. That is the customary procedure.

The Senator also knows that the Senate itself has control over its own destiny. Any Senator may move to take up any particular bill, if he determines so to do, and he may succeed or may not succeed in having that done. Even assuming it were done, and the bill were passed and the amendments were not adopted in the normal way we adopt them, after considerable debate, there is merit to having revenue, in the situation which now confronts the Government of the United States. I am merely saying that I believe that under those circumstances if a bill went to the President without providing revenue, when we recently made a temporary increase in the national debt ceiling, we would not have a postal bill enacted into law.

Mr. JOHNSTON of South Carolina. Mr. President—

The PRESIDING OFFICER. The Senator from Rhode Island has the floor.

Mr. PASTORE. Is the Senator aware of the fact that we have had no hearings in our committee on the postal increase?

Mr. KNOWLAND. Let me say to the Senator—

Mr. PASTORE. We have had hearings on the pay increase.

Mr. KNOWLAND. I am aware of that fact.

Mr. PASTORE. We had an understanding that we would not deal with this question until we had extensive hearings; and we have not had them.

Mr. KNOWLAND. I am aware of that fact; and I am also aware of the fact that from time to time on very important pieces of legislation, including tax bills, appropriation bills, and other bills, matters of considerable importance are presented as amendments by Senators on the floor; because, in the final analysis, while we give and should give great weight to the judgment of our committees, we also have individual responsibility, as 96 Members of the Senate of the United States. So the procedure in that regard is not unusual. I am not misleading the Senate. I am quite aware of the fact that so far as the Senate is concerned, we have not had hearings on the rate increase.

Mr. THYE. Mr. President, will the Senator yield?

Mr. PASTORE. I wish to say only one thing in conclusion to the distinguished majority leader. If we follow the usual order it strikes me it would not take very long to vote on the amendment proposed by the distinguished ma-

jority leader. If that amendment should carry, it would become a part of the bill and we could vote on the bill as amended. If it should not carry, we could vote on H. R. 7774 in the form in which it was reported by the Senate committee. That strikes me as being a simple procedure which would not take very long, especially in view of the fact that yesterday we passed 5 or 6 very important bills in a period of 5 or 6 hours.

Mr. THYE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. THYE. I think what the Senator from Rhode Island has stated is most sound, and he approaches this problem in a manner I can follow. I personally feel that the postal employees and the Federal employees, especially those in the low-income category are faced with extreme hardship. A salary increase bill must be and should be passed before Congress adjourns. If the bill also involves postal rate increases, that is a highly controversial question. Hearings have not been held.

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired. Does the Senator from Minnesota desire to be recognized? He may be recognized on his own time.

Mr. THYE. Mr. President, may I be recognized on my own time.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. THYE. Mr. President, we should enact legislation which would increase the salaries of postal workers and other Federal workers. More especially am I concerned about workers in the low-income brackets. They are faced with a hardship. Therefore, I am anxious that we approve this salary increase bill.

The majority leader has submitted amendments to H. R. 7774. We can take those amendments up in an orderly way, reject them or accept them, and then proceed. If the so-called substitute bill is not acceptable to us as a body, we can make our wishes known.

I have as much responsibility to my constituents to act upon the committee bill before us as anyone in this legislative body, aside from the committee members and the chairman of the Post Office and Civil Service Committee, who are charged with that responsibility.

Mr. HENDRICKSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from New Jersey?

Mr. THYE. Mr. President, if this is to be charged to my time, I shall not yield.

The PRESIDING OFFICER. The Chair reminds the Senator that he is really speaking on the time of the Senator from New Jersey, because the Senator from New Jersey has been withholding objections to further consideration of the bill, and the Chair understands that the Senator from New Jersey desires to speak.

Mr. HENDRICKSON. Mr. President, it is quite clear from all this discussion that the bill is not a subject to be considered on the calendar call. Therefore, I ask for the regular order.

Mr. JOHNSTON of South Carolina. Will the Senator withhold his request?

Mr. HENDRICKSON. I shall not. I shall attempt to have the calendar call finished this afternoon, and then we can have all the discussion we wish as to this bill.

The PRESIDING OFFICER. Does the Senator object to further consideration at this time?

Mr. HENDRICKSON. I do.

The PRESIDING OFFICER. The bill will be passed over.

Mr. JOHNSTON of South Carolina subsequently said: Speaking with respect to the amendment which has been offered, I wish to call to the attention of the Senate how far-reaching it is.

First, let us consider the GS-1 grade. The salary is \$2,500 now.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to no one.

Those employees receive no increase.

The GS-2 grade has a salary of \$2,750, which remains \$2,750. They are given no increase.

The GS-3 grade has a salary of \$2,950. That is raised to \$3,000. They are given a \$50 increase.

The GS-4 grade has a salary of \$3,175. They are raised \$75, to \$3,250.

Then let us see what else is in this bill. When we get to the higher brackets, after we reach the GS-15 grade, they are all raised \$800, without any hearing by the committee.

There is another thing in this bill we are going to find—we have a rate increase. I should like to call the attention of the Senate to the fact that we have never had an increase to my knowledge—and I have looked up the record—in postal rates passed by the Senate, unless we had as much as 30 days held open for the people who would be affected thereby to come in. Let us see what we are doing here. We would increase the rates on first-class mail from 3 to 4 cents. However, certain businesses within a city would not have their rate increased; their first-class rate would remain 3 cents.

Then we come to second-class mail, and we would increase that rate. That rate affects all newspapers and magazines. Some of those newspapers, if they were thus penalized, would be put out of business. The third-class rate would be increased, too. Third-class mail consists of packages. Those rates would all be increased without any hearings at all.

The amendment would do something else. It would give the Postmaster General the right to make reclassification plans. He makes his plans, and he says, "These people are to be paid this much, and those people are to be paid that much." His reclassification plans are then sent to Congress. His plans become law unless either House of Congress rejects his plans. We have rejected some plans that have been sent to Congress. There are also some other plans in the reclassification field.

The floor of the Senate is no place to pass on such an amendment. I, for one, have experienced a great many headaches, so to speak, from sitting in

hearings day in and day out, trying to work out this problem. Yet we find an amendment on the floor of the Senate which would make all these changes without the amendment first being considered by the committee. I say on behalf of the chairman of this committee that it is not right to proceed in this way without consulting the chairman or the other members of the committee, particularly after we had already reported a bill which we thought was right and just under the circumstances.

If we proceed in this manner we might as well do away with our committees. We might as well do away with the Committee on Post Office and Civil Service if we legislate in this manner. I for one would be in favor of doing away with that committee if we are to legislate like this. I do not know who prepared this amendment, but I can imagine where it came from. I know exactly where it came from.

Mr. HUMPHREY subsequently said: Mr. President, with reference to the amendment offered by the distinguished majority leader on H. R. 7774, I believe we had better face the fact that Congress has done very little for Federal employees, with the exception of the one bill known as the fringe-benefits bill. We must be aware of the fact that the amendment which has been offered by the distinguished majority leader—and I agree with him that such an amendment is in order and can be presented at any time—with reference to first-class mail will cost the American people \$150 million, which is exactly 50 percent of all the tax savings in the tax bill as they apply to people who earn \$5,000 a year or less.

The total amount of savings to all American taxpayers, exclusive of all corporations including every conceivable special treatment that we gave in the tax bill for people who earn \$5,000 a year or less, representing 80 percent of the taxpayers of this Nation, was less than \$300 million.

Now it is proposed in 1 amendment, by 1 rate increase, to increase the cost—and a postage stamp represents a kind of tax—by \$150 million.

That rate increase may be necessary. However, I think the facts ought to be made crystal clear. I served for 2 years on the Committee on Post Office and Civil Service, I served on that committee with the Senator from Louisiana [Mr. Long] and other Senators, including the Senator from West Virginia [Mr. NEELY]. We held hearings for months on the subject of rate increases. We passed a rate increase bill. We brought one to the Senate. The only part of the Postal Service that makes a profit aside from special services, such as c. o. d. and registered mail, is the first-class mail service.

I think the facts will reveal that the Government receives something like \$50 million a year net profit for first-class mail. Yet, there is a proposal to increase those rates by 33½ percent.

When we come to the mail which involves the general distribution of pamphlets and advertising matter, there is very little increase. When we came to

second-class mail, a very small increase is proposed. Whatever may be the merits of the increase, it seems to me it is rather technical; it involves business costs, and very careful planning with newspaper publishers and magazine publishers; and there are problems of subscription rates as related to postal charges. We should not proceed without having an opportunity to debate the amendment.

I thought the Senator from Rhode Island was eminently correct when he said we should proceed by way of offering such amendments as are necessary, debate them, and vote them up or down. But let us not penalize our Federal employees on the basis of a decision which has been made to try to tie to a Federal-employee bill a rate-increase bill. It would establish a most unusual precedent. Every person in America who pays an extra postage rate will say, "We have to pay this rate because the postal employees wanted some more money", when the fact is that they are entitled to an increase. The civil service employees and the classified employees, are entitled to a fair and reasonable increase in salary. The Government of the United States is a very difficult disciplinarian when it comes to private industry. We require private industry to live by the Fair Labor Standards Act, pay time and a half for overtime, 40 hours a week, double time, and so forth. We impose upon private industry many disciplinary actions if they fail to meet those standards; but when we come to the Government itself, its own employees, it sets a very poor example of fair labor standards.

We have done a great deal for others. We increased depletion allowances for people engaged in mining and in the oil business. We have passed a tax bill which gives corporations what we call accelerated depreciation and fast write-offs. We should do something for people who are appealing to the Congress for a little sample of equity.

I hope we shall bring the bill up and pass it. I am unalterably opposed to trying to tie a rate bill to a salary bill.

EXTENSION OF CERTAIN PATENTS

The bill (H. R. 3534) to authorize the extension of patents covering inventions whose practice was prevented or curtailed during certain emergency periods, was announced as next in order.

Mr. GORE. Over.

Mr. HENDRICKSON. Mr. President, will the Senator withhold the objection?

Mr. GORE. I withhold the objection.

Mr. HENDRICKSON. At the last call of the calendar I raised objection to this bill. Since that time I have had an opportunity to contact some of the agencies. I find, for example, that the Department of Commerce has removed any objection it had to the bill. The Bureau of the Budget still has reservations, but I do not think they are well taken; nor do I think any of the other objections are well taken.

I wish to remove from the RECORD, at least, my objection to the bill.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HENDRICKSON. I yield to the Senator from Tennessee.

Mr. GORE. Is it not a fact that this bill, if passed, would give new life to certain patent rights which, under the statute of limitations, have expired?

Mr. HENDRICKSON. That is possible.

Mr. GORE. Does not the able Senator construe that as possibly a dangerous precedent?

Mr. HENDRICKSON. I would say that it would not be, on the basis of the restrictions contained in the bill. That is only the opinion of the junior Senator from New Jersey.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Mr. President, I ask that the bill go over.

Mr. THYE. Mr. President, will the Senator withhold his objection?

Mr. GORE. I withhold my objection.

Mr. THYE. I have had a great deal of interest in this bill, because it was called to my attention earlier in the session. We are doing an injustice if we do not give consideration to this proposal.

On page 2 of the report there appears an explanation of why it is urgent that we give consideration to the bill. If I may have the indulgence of the Senate for a moment, I should like to read from the report:

To justify legislation for the extension of the terms of patents on the ground that national emergencies such as World War II and the Korean conflict resulted in the substantial loss of opportunities for the exploitation of such patents, the fundamental distinction must be recognized between the loss of such opportunities for patent exploitation and the numerous kinds of other economic losses suffered by various classes of citizens as a result of such emergencies. The measures taken by the Government in the interest of national defense necessarily caused indirect losses of varying degrees on numerous groups of citizens, creating situations for which there can be no compensation or other remedy provided by Federal legislation.

That is why I hope the legislation will be given fair consideration and that it will be enacted, because we are working a hardship on certain groups. I thank the Senator.

Mr. HENDRICKSON. Mr. President, the Senator from Illinois [Mr. DIRKSEN] desired to be heard on this matter. However, he is unable to be present at this time, and he has asked that a statement prepared by him be printed in the RECORD at this point. I make the unanimous-consent request.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DIRKSEN

This bill provides for a correction of reductions in the limited 17-year terms of patents heretofore issued and outstanding which reductions were caused by actions of Government agencies during specific periods of national emergencies or by service of the patent owner in the Armed Forces.

Fundamentally the enactment of this legislation affords us the opportunity to restore to the inventor and patent holder the rights granted to him under our laws by

issuance of the patent in the original instance. In fact, I go so far as to say that it is the consensus of your Committee on the Judiciary after careful deliberation, that the Government is at least morally bound to grant extensions of terms of patents under the conditions specified in this bill.

Essentially the rights granted to an inventor by the issuance of a patent under our laws are analogous to those which arise out of the simple contract principle. In consideration for public disclosure and for an agreement of dedication of his invention to the public welfare, the Government of the United States solemnly undertakes to secure the inventor in the exclusive rights to the use and exploitation of his invention for a full period of 17 years. That is the inducement which has been held out to inventors by the Government under the law and upon which inventors have relied and which has encouraged our creative minds to produce and dedicate to the Nation the technological advancements which have made our country great.

I feel sure you will agree that the intent of the law was not to issue grants with 2 or 3 or even 4 years taken out. It was a grant for a full net 17 years and if the Government deemed it necessary during periods of public emergencies to suspend these rights, we in equity and justice have the obligation to restore that part of the 17-year period of any patent where Government action prevented or substantially curtailed the use and development of the patent possibilities.

Inherent in the right to the exclusive use of a patented invention for the full period of 17 years are the characteristics of the right of private property. When the Government expropriates private property for public use it is required by the Constitution to pay just compensation therefor. It is refreshing to note that the restitution called for in this bill will require no outlay of public funds but merely repayment in kind—it gives back to the patent holder only an equal number of months or years as were taken out of the 17 years originally promised to him.

Under the provisions of this bill three classes of applicants are covered:

1. Patent holders whose patent rights were substantially affected by reason of honorable service on active duty in the Armed Forces.

2. Patent holders whose rights were substantially affected by orders of Government agencies.

3. Patent holders who granted a royalty free or a nominal royalty license to the Government or its assigns in the interests of national defense.

Each applicant for extension in these classifications must prove to the satisfaction of the Patent Office prevention or substantial curtailment of the normal use, exploitation, promotion, or development of his patent within the emergency periods set forth.

The fee provisions were carefully designed to preclude any requirement for additional funds for administrative processing by the agency and full provision has been made for the protection of intervening rights.

The veteran provisions are but an extension of Public Law 598 for the purpose of covering the Korean emergency period.

The Patent Office, which under this bill has responsibility for administration, has already had successful experience in administering such extensions under Public Law 598.

No confusion need result as to the actual term of any patent granted an extension for it would be administratively simple to stamp the extension termination date on the face of the patent for public inspection.

Patent legislation has long been overdue in this country. All major countries, with the exception of Russia, have passed and now have in force similar patent laws.

The passage of this bill will forestall the introduction of an increasing number of

private bills to take care of individual cases of injury.

The need for a patent extension law of general applicability to place the burden of handling such cases where it properly belongs, in the Patent Office, instead of in the Congress, which is not equipped to handle either the technical details or the workload of these applications, has been so keenly recognized that several bills were introduced in the House of Representatives and bills by the late Senator Tobey, Senator Dirksen, Senator Beall, Senator Capehart, and Senator Dworshak were introduced in the Senate this session.

H. R. 3534 as now presented encompasses the best features of all these bills and covers all phases of the subject matter.

This bill has had the studied consideration and unanimous approval of the House Judiciary Committee, the Members of the House of Representatives, and of the Committee on the Judiciary.

Full and adequate hearings were held by the House Committee on the Judiciary and to this your committee has given careful consideration.

In behalf of my colleagues who have introduced patent extension bills and of the committee, I ask adoption by unanimous consent of H. R. 3534.

Mr. GORE. Mr. President, a number of Senators have spoken to me about the desirability of passing H. R. 3534, Calendar No. 2284. It is with reluctance that I interpose an objection. I hold this to be very unsound legislation. A great deal has been said regarding the hardship on veterans. However, an examination of the report will show that patents which have now expired or which may expire in the future would be extended on 2 or 3 other grounds, having no relation whatever to service in the Armed Forces of the United States.

I do not wish to discuss the bill at length today. But I raise serious objection to an extension of patent rights which have expired under law or which will expire in the future under law for reasons set forth in the bill. If the bill should be scheduled for action, I shall at that time discuss it at some length. For the time being I must, with regret, object.

The PRESIDING OFFICER. Objection is heard. The bill goes over.

GUBBINS & CO., OF LIMA, PERU

The bill (S. 2564) to confer jurisdiction upon the Court of Claims to hear the claims of Gubbins & Co., of Lima, Peru, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. MORSE. Mr. President, I am the one who asked that the bill go to the foot of the calendar. I wish, now, to make a very brief statement with reference to the bill.

It is a bill which was reported to the Senate by the Judiciary Committee, and in its report the committee recommended that the claim of Gubbins & Co., go to the Court of Claims to hear, determine, and render judgment thereon.

I wish to make it clear, Mr. President, that it is true that the Department of Justice has recommended against the bill, but it recommended against it on very broad general grounds, to wit, that it feels that if it has to give considera-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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For actions of August 19, 1954
83rd-2nd, No. 162

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HIGHLIGHTS: Both Houses agreed to conference report on foreign-aid appropriation bill. Senate passed bill to revise food-drug law, and House concurred in amendments. House concurred in Senate amendment to bill permitting long-term forest-land leases. Senate debated Federal pay raise bill. Senate debated Colo. reclamation project. Sens. Johnson (Tex.) and Morse criticized drought-relief administration. Rep. Harrison, Va., criticized reductions in wheat allotments. Rep. Hope inserted summary of farm program bill.

HOUSE

- FOREIGN-AID APPROPRIATION BILL, 1955.** Both Houses agreed to the conference report on this bill, H. R. 10051, and acted on amendments which had been reported in disagreement (pp. 14312-22, 14457-60). This bill will now be sent to the President.
- LAW REVISION.** Concurred in the Senate amendments to bills to codify and enact into positive law parts of the U. S. Code. The Senate passed these bills as reported, earlier in the day. The bills are H. R. 9728, on food, drugs, and animal-plant diseases, etc.; H. R. 9729, on census; and H. R. 9730, to correct obsolete references. (pp. 14411-3, 14341-65.) These bills will now be sent to the President.
- FORESTRY.** Concurred in the Senate amendment to H. R. 1254, to authorize 30-year leases of national-forest and other Federal lands for public purposes (p. 14325). This bill will now be sent to the President.
- TRANSPORTATION.** Passed without amendment S. 906, to establish the finality of contracts between the Government and common carriers of passengers and freight subject to the Interstate Commerce Act (p. 14334).

This bill will now be sent to the President.

5. RECLAMATION. Agreed to a Senate amendment to H. R. 2235, authorizing the Santa Maria project, Calif., with an amendment (p. 14326). The Senate later agreed to the House amendment to the Senate amendment (p. 14454). This bill will now be sent to the President.
6. INVESTIGATIONS. Agreed to, without amendment, H. Res. 161, authorizing the Agriculture Committee to investigate matters within its jurisdiction outside the U. S. (p. 14324).
7. WATER COMPACT. Discussed S. 2821, consenting to an interstate compact regarding Missouri Basin waters, but Rep. Saylor objected to its consideration at this session (pp. 14331-2).
8. FARM LABOR. Discussed S. 2862, to permit immigration of certain shearers, but Rep. Celler objected to its passage (pp. 14365-7).
9. CCC AUDIT. Received from the Acting Comptroller General an audit report on CCC for 1953 (H. Doc. 494) (p. 14383). The report was also received in the Senate (p. 14387).
10. ASC COMMITTEES. Rep. Jones, Mo., criticized the Secretary's position regarding limitation of the terms of committeemen and stated that such a limit should not be continued regarding community committeemen (p. 14380).

SENATE

11. DROUGHT RELIEF. Sens. Johnson, Tex., and Morse criticized administration of the drought-relief program (p. 14389).
12. PERSONNEL; POSTAL RATES. Began debate on H. R. 7774, agreeing that the committee amendment (in the nature of a substitute), providing for a 5% pay raise for Federal employees (with a minimum of \$170 a year and a maximum of \$480), would be considered as the original text of the bill and would be subject to amendment on the floor. It is expected that Sen. Knowland will propose an amendment providing for a 3½% pay increase for classified employees, a 5% increase for postal employees, and increases in postal rates. The text of the Knowland amendment (as well as the committee recommendation) is in the Record, and he also inserted a brief explanation and the estimated cost of the group life insurance program, the Whitten amendment modification, the incentive-awards program, repeal of the annual-leave provision, etc. (pp. 14470, 14480-3, 14486-9.)
13. ELECTRIFICATION. The Public Works Committee reported with amendments S. 2599, to authorize development of Niagara River power (S. Rept. 2501) (p. 14837).
14. TRANSPORTATION. Agreed to the conference report on H. R. 2236, to establish a metropolitan area transit commission and a Commission on Area Problems for the D. C. area (pp. 14430-4).
15. RECLAMATION. Began debate on S. 1555, to authorize the upper Colo. River project, and agreed to the committee amendment in the nature of a substitute (pp. 14413-23, 14462-4, 14467-70).
16. PRICE SUPPORTS. Sen. Aiken inserted a newspaper editorial claiming that

H. R. 7774**IN THE SENATE OF THE UNITED STATES**

AUGUST 19 (legislative day, AUGUST 5), 1954

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. KNOWLAND to the bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes, viz:

- 1 On page 7, beginning with line 13, strike out over
- 2 through line 5, on page 8, and insert the following:
- 3 (b) The compensation schedule for the General Sched-
- 4 ule shall be as follows:

Grade	Per annum rates						
GS-1-----	\$2, 600	\$2, 680	\$2, 760	\$2, 840	\$2, 920	\$3, 000	\$3, 080
GS-2-----	2, 850	2, 930	3, 010	3, 090	3, 170	3, 250	3, 330
GS-3-----	3, 050	3, 130	3, 210	3, 290	3, 370	3, 450	3, 530
GS-4-----	3, 275	3, 355	3, 435	3, 515	3, 595	3, 675	3, 755
GS-5-----	3, 600	3, 725	3, 850	3, 975	4, 100	4, 225	4, 350
GS-6-----	4, 000	4, 125	4, 250	4, 375	4, 500	4, 625	4, 750
GS-7-----	4, 440	4, 525	4, 650	4, 775	4, 900	5, 025	5, 150
GS-8-----	4, 800	4, 925	5, 050	5, 175	5, 300	5, 425	5, 550
GS-9-----	5, 300	5, 425	5, 550	5, 675	5, 800	5, 925	6, 050
GS-10-----	5, 800	5, 925	6, 050	6, 175	6, 300	6, 425	6, 550
GS-11-----	6, 380	6, 580	6, 780	6, 980	7, 180	7, 380	
GS-12-----	7, 480	7, 680	7, 880	8, 080	8, 280	8, 480	
GS-13-----	8, 800	9, 000	9, 200	9, 400	9, 600	9, 800	
GS-14-----	10, 040	10, 240	10, 440	10, 640	10, 840	11, 040	
GS-15-----	11, 240	11, 490	11, 740	11, 990	12, 240		
GS-16-----	12, 440	12, 640	12, 840	13, 040	13, 240		
GS-17-----	13, 440	13, 640	13, 840	14, 040	14, 240		
GS-18-----	14, 800						

- 1 (c) (1) The compensation schedule for the Crafts,
 2 Protective, and Custodial Schedule shall be as follows:

Grade	Per annum rates						
CPC-1-----	\$1,910	\$1,970	\$2,030	\$2,090	\$2,150	\$2,210	\$2,270
CPC-2-----	2,520	2,590	2,660	2,730	2,800	2,870	2,940
CPC-3-----	2,652	2,732	2,812	2,892	2,972	3,052	3,132
CPC-4-----	2,850	2,930	3,010	3,090	3,170	3,250	3,330
CPC-5-----	3,074	3,154	3,234	3,314	3,394	3,474	3,554
CPC-6-----	3,300	3,380	3,460	3,540	3,620	3,700	3,780
CPC-7-----	3,600	3,700	3,800	3,900	4,000	4,100	4,200
CPC-8-----	4,000	4,125	4,250	4,375	4,500	4,625	4,750
CPC-9-----	4,400	4,525	4,650	4,775	4,900	5,025	5,150
CPC-10-----	4,800	4,925	5,050	5,175	5,300	5,425	5,550

- 3 (2) Charwomen working part time shall be paid at the
 4 rate of \$2,800 per annum, and head charwomen working
 5 part time at the rate of \$2,940 per annum.

6 On page 9, lines 8 and 9, strike out "as provided in this
 7 section, he shall continue to receive basic compensation", and
 8 insert "he shall receive a rate of basic compensation at the
 9 maximum longevity rate of his grade as provided in this
 10 section, or his existing rate, whichever is greater".

11 On page 9, lines 20 and 21, strike out "as provided in
 12 this section, he shall continue to receive basic compensation"
 13 and insert "he shall receive a rate of basic compensation at
 14 the maximum scheduled rate of his grade as provided in this
 15 section, or his existing rate, whichever is greater".

16 On page 10, line 11, strike out "5 per centum" and
 17 insert "3½ per centum".

18 On page 10, line 13, strike out "\$170 per annum", and
 19 insert "\$100 per annum".

1 On page 11, line 1, strike out "5" and insert " $3\frac{1}{2}$ ".

2 On page 11, line 12, strike out "\$170" and insert
3 "\$100".

4 On page 11, line 20, strike out "\$2,160" and insert
5 "\$1,440".

6 On page 11, line 22, strike out "\$2,400" and insert
7 "\$1,680".

8 On page 11, line 25, strike out "\$3,120" and insert
9 "\$1,920".

10 On page 12, line 3, strike out "\$3,180" and insert
11 "\$1,980".

12 On page 12, line 10, strike out "\$6,180" and insert
13 "\$6,060".

14 On page 12, line 11, strike out "\$7,620" and insert
15 "\$7,560".

16 On page 12, line 20, strike out "5" and insert " $3\frac{1}{2}$ ".

17 On page 12, line 22, strike out "\$170 per annum" and
18 insert "\$100 per annum".

19 On page 13, line 8, strike out "5" and insert " $3\frac{1}{2}$ ".

20 On page 14, line 8, strike out "5" and insert " $3\frac{1}{2}$ ".

21 On page 14, line 10, strike out "\$170 per annum" and
22 insert "\$100 per annum".

23 On page 14, line 16, strike out "5" and insert " $3\frac{1}{2}$ ".

24 On page 14, line 18, strike out "\$170" and insert
25 "\$100".

1 On page 15, strike out lines 10 to 23, inclusive.

2 Renumber sections 202 to 207, inclusive, as sections
3 201 to 206, respectively.

4 On page 23, beginning with line 7, strike out down
5 through line 23, on page 24, and insert the following:

6 “SEC. 207. (a) The Postmaster General is authorized
7 and directed to make a thorough investigation and study of
8 various methods for the classification of positions and the
9 determination of salaries in the postal field service and all
10 matters relating thereto (including personnel and pay bene-
11 fits and administration), in order to provide a plan (to be
12 submitted by the Postmaster General to, and to be subject
13 to review by, the Congress, in accordance with the provi-
14 sions of this section and section 208) for the establishment
15 of a uniform, integrated, and equitable classification and
16 pay system for all postmasters, officers, employees, and po-
17 sitions in the postal field service. Such classification and
18 pay plan for the postal field service shall provide a method
19 for determining the rates of basic compensation which post-
20 masters, officers, and employees shall receive under which—

21 “(1) the principle of equal pay for substantially
22 equal work shall be followed; and

23 “(2) variations in rates of basic compensation paid
24 to different postmasters, officers, and employees shall be
25 in proportion to substantial differences in the difficulty,

responsibility, and qualification requirements of the work performed and to the contributions of postmasters, officers, and employees to efficiency and economy in the postal field service.

Such plan shall contain compensation schedules which set forth the various grades to which positions in the postal field service are to be allocated and provide the rates of basic compensation, and the ranges of such rates, which are to be applicable to such grades. Such plan also shall contain provisions which—

“(A) grant to personnel in the postal field service the right to obtain appropriate review by the Civil Service Commission of all classifications of their positions;

“(B) prohibit reductions in the rates of basic compensation of personnel on the rolls on the date such plan (or any part thereof) becomes operative, by reason of the institution and operation of such plan (or any part thereof) ;

“(C) prohibit reductions in rates of basic compensation of any personnel, by reason of any classification actions taken at any time under authority of such plan with respect to the positions occupied by such personnel, so long as such personnel remain in the same positions and are assigned to perform and do perform work of the

1 same level of difficulty, responsibility, and qualification
2 requirements as the work which they were performing
3 in such positions; and

4 “(D) preserve for personnel in the postal field serv-
5 ice on the rolls on the date such plan (or any part
6 thereof) becomes operative the increases in rates of basic
7 compensation provided by this Act.

8 Such plan also may contain such provisions and proposals
9 consistent with the purposes of this section as the Postmaster
10 General deems advisable in the light of the needs of the Post
11 Office Department, the best interests of personnel in the
12 postal field service, and the public interest.

13 “(b) In the light of and pursuant to the investigation
14 and study made under subsection (a) and in accordance
15 with the purposes of such subsection, the Postmaster General
16 shall transmit to the Congress, on or before March 15,
17 1955, a classification and pay plan for the postal field service.

18 Such plan shall be prepared with due regard for the legis-
19 lative forms and procedures of the Congress and shall be
20 accompanied by an appropriate written explanation of the
21 provisions, objects, purposes, and effects thereof. The de-
22 livery of such plan and explanation thereof shall be made to
23 both Houses on the same day.

24 “(c) Except as may be otherwise provided pursuant to
25 subsection (e) of this section, the provisions of such classifi-

1 cation and pay plan for the postal field service shall take
2 effect upon the expiration of the first period of sixty calendar
3 days of continuous session of the Congress, following the
4 date on which such plan is transmitted to the Congress; but
5 only if, between the date of transmittal and the expiration
6 of such period of sixty days there has not been passed by
7 either of the two Houses, by affirmative vote of a majority
8 a quorum being present, a resolution stating in substance
9 that that House does not favor such plan.

10 “(d) For the purposes of subsection (c) of this section—

11 “(1) continuity of session shall be considered as
12 broken only by an adjournment of the Congress sine die;
13 but

14 “(2) in the computation of the sixty-day period,
15 there shall be excluded the days on which either House
16 is not in session because of an adjournment of more than
17 three days to a day certain.

18 “(e) Any provision of the plan may, under provisions
19 contained in the plan, be made operative at a time later than
20 the date on which the plan shall otherwise take effect.

21 “(f) If such classification and pay plan becomes effective
22 such plan shall be printed in the Statutes at Large in the same
23 volume as the public laws and shall be printed in the Federal
24 Register.

25 “(g) Any increase in rate of basic compensation by

1 reason of the institution and operation of such classification
2 and pay plan for the postal field service shall not be con-
3 sidered as an 'equivalent increase' in compensation within
4 the meaning of section 701 of the Classification Act of 1949,
5 as amended, in the case of postmasters, officers, and em-
6 ployees in the postal field service who transfer or are trans-
7 ferred to positions within the purview of the Classification
8 Act of 1949, as amended.

9 "SEC. 208. (a) This section is enacted by the Congress:

10 "(1) As an exercise of the rule-making power of the
11 Senate and the House of Representatives, respectively, and
12 as such it shall be considered as part of the rules of each
13 House, respectively, but applicable only with respect to the
14 procedure to be followed in such House in the case of
15 resolutions (as defined in subsection (b) of this section);
16 and such rules shall supersede other rules only to the extent
17 that they are inconsistent therewith; and

18 "(2) With full recognition of the constitutional right of
19 either House to change such rules (so far as relating to the
20 procedure in such House) at any time, in the same manner
21 and to the same extent as in the case of any other rule of
22 such House.

23 "(b) As used in this section and section 207, the term
24 'resolution' means only a resolution of either of the two
25 Houses of Congress, the matter after the resolving clause

1 of which is as follows: "That the -----
2 does not favor the postal field service classification and
3 pay plan transmitted to Congress by the Postmaster Gen-
4 eral.", the blank space therein being filled with the name
5 of the resolving House.

6 " (c) All resolutions with respect to the postal field
7 service classification and pay plan shall be referred, by the
8 President of the Senate or the Speaker of the House of
9 Representatives, only to the Committee on Post Office and
10 Civil Service of the Senate or the Committee on Post Office
11 and Civil Service of the House of Representatives, as the
12 case may be.

13 " (d) If the committee to which has been referred a
14 resolution with respect to such postal field service classifica-
15 tion and pay plan has not reported such resolution before
16 the expiration of ten calendar days after its introduction, it
17 shall then (but not before) be in order to move either to
18 discharge the committee from further consideration of such
19 resolution, or to discharge the committee from further con-
20 sideration of any other resolution with respect to such postal
21 field service classification and pay plan which has been re-
22 ferred to the committee.

23 " (e) Such motion may be made only by a person favor-
24 ing the resolution, shall be highly privileged (except that it

1 may not be made after the committee has reported a resolu-
2 tion with respect to the plan), and debate thereon shall be
3 limited to not to exceed one hour, to be equally divided be-
4 tween those favoring and those opposing the resolution. No
5 amendment to such motion shall be in order, and it shall not
6 be in order to move to reconsider the vote by which such
7 motion is agreed to or disagreed to.

8 “(f) If the motion to discharge is agreed to or disagreed
9 to, such motion may not be renewed, nor may another
10 motion to discharge the committee be made with respect to
11 any other resolution with respect to the plan.

12 “(g) When the committee has reported, or has been
13 discharged from further consideration of, a resolution with
14 respect to the plan, it shall at any time thereafter be in order
15 (even though a previous motion to the same effect has
16 been disagreed to) to move to proceed to the consideration
17 of such resolution. Such motion shall be highly privileged
18 and shall not be debatable. No amendment to such motion
19 shall be in order and it shall not be in order to move to
20 reconsider the vote by which such motion is agreed to or
21 disagreed to.

22 “(h) Debate on the resolution shall be limited to not to
23 exceed ten hours, which shall be equally divided between
24 those favoring and those opposing the resolution. A motion
25 further to limit debate shall not be debatable. No amend-

1 ment to, or motion to recommit, the resolution shall be in
2 order, and it shall not be in order to move to reconsider the
3 vote by which the resolution is agreed to or disagreed to.

4 “(i) All motions to postpone, made with respect to the
5 discharge from committee, or the consideration of, a resolu-
6 tion with respect to the plan, and all motions to proceed to
7 the consideration of other business, shall be decided without
8 debate.

9 “(j) All appeals from the decisions of the Chair relating
10 to the application of the rules of the Senate or the House of
11 Representatives, as the case may be, to the procedure relating
12 to a resolution with respect to the plan shall be decided
13 without debate.

14 “SEC. 209. In the exercise of the authority granted by
15 section 81 of title 2 of the Canal Zone Code, as amended,
16 the Governor of the Canal Zone is authorized to adopt the
17 postal field service classification and pay plan, or any part
18 thereof, made operative pursuant to sections 207 and 208 of
19 this Act, as of the date or dates such plan, or any part
20 thereof, becomes operative, for postal employees of the
21 Canal Zone Government. The Postmaster General shall
22 make available to the Governor of the Canal Zone copies of
23 such matter relating to such plan as may be necessary to
24 carry out the purposes of this section, including descriptions
25 of positions and rates of compensation provided for therein.”

1 On page 24, beginning with line 24, strike out over
2 through line 2, on page 25.

3 On page 25, line 4, strike out "Sections 206 and 208"
4 and insert "Section 205".

5 On page 25, line 6, strike out "202, 204, and 205" and
6 insert "201, 203, and 204".

7 On page 25, line 9, strike out "203 and 209" and insert
8 "202 and 210".

9 On page 25, line 12, strike out "207" and insert "206".

10 On page 25, after line 15, insert the following:

11 "TITLE III—POSTAL RATES

12 "FIRST-CLASS MAIL

13 "SEC. 301. (a) The rates of postage on mail matter
14 of the first class (other than postal cards and private mailing
15 or post cards) shall be as follows:

16 "(1) 4 cents for the first ounce or fraction thereof,
17 and 3 cents for each additional ounce or fraction thereof,
18 when mailed for delivery at any destination other than
19 the office of mailing;

20 "(2) 3 cents for each ounce or fraction thereof, when
21 mailed for local delivery at the office of mailing, except
22 as prescribed in paragraph (3) of this subsection; and

23 "(3) 2 cents for each ounce or fraction thereof, when
24 mailed for local delivery at post offices where free de-

1 livery by carrier is not established and when the matter
2 is not collected or delivered by rural or star route
3 carriers.

4 “(b) In the case of first-class matter mailed without pre-
5 payment of any postage or without prepayment of the full
6 amount of postage due, the Postmaster General is authorized
7 to prescribe by regulation the conditions under which such
8 matter shall be delivered to the addressee or returned to the
9 sender. The conditions so prescribed shall be stated in such
10 manner as to permit delivery of such mail to the addressee
11 whenever it is practicable to do so consistent with the collec-
12 tion of the charges prescribed in accordance with subsection
13 (c) of this section.

14 “(c) The Postmaster General is authorized to prescribe
15 by regulation from time to time the charges to be collected
16 on delivery in the case of any matter of the first class mailed
17 without prepayment of any postage or without prepayment
18 of the full amount of postage due. In determining such
19 charges, the Postmaster General shall take into consideration
20 the postage actually due, and, to the extent practicable, the
21 additional expense incurred by reason of the failure to pay
22 the applicable postage and the desirability of minimizing
23 the incidence of such mailings.

24 “(d) Regulations issued by the Postmaster General un-

1 der subsections (b) and (c) shall, to the extent prescribed
2 therein, supersede existing laws, regulations, and orders gov-
3 erning the subject matter covered thereby.

4 “(e) Section 12 (a) of the Act of October 30, 1951
5 (39 U. S. C. sec. 246f (a)), is amended by inserting
6 before the period at the end thereof a semicolon and the
7 following:

8 “ ‘(9) for returning undeliverable letters and parcels
9 of the first class from the dead-letter office to the
10 senders’.

11 “SECOND-CLASS MAIL

12 “SEC. 302. (a) Section 2 (a) of the Act of October 30,
13 1951 (39 U. S. C., sec. 289a), is amended by striking out
14 the word ‘and’ immediately following ‘April 1, 1953,’ and
15 by inserting before the colon immediately following ‘April 1,
16 1954’ a comma and the following: ‘(4) by an additional
17 10 per centum, based on rates now in force, beginning on
18 April 1, 1955, (5) by an additional 10 per centum, based
19 on rates now in force, beginning on April 1, 1956, and (6)
20 by an additional 10 per centum, based on rates now in force,
21 beginning on April 1, 1957’. The term ‘rates now in
22 force’, as used in the amendments made by this subsection
23 to section 2 (a) of such Act of October 30, 1951, means the
24 rates in force immediately prior to April 1, 1952.

25 “(b) The rates increased by subsection (a) of this sec-

tion shall be subject to a minimum charge of one-fourth of
 1 cent computed on each individually addressed copy or
 package of unaddressed copies.

“(c) The rates of postage on copies of publications
 having second-class entry mailed by others than the publish-
 ers or authorized news agents, sample copies mailed by the
 publishers in excess of the 10 per centum allowance entitled
 to be sent at the pound rates, and copies mailed by the pub-
 lishers to persons who may not be included in the required
 legitimate list of subscribers, shall be, in the case of publica-
 tions weighing 8 ounces or less, the applicable rates now or
 hereafter prescribed by law on third-class matter, and, in
 the case of publications weighing in excess of 8 ounces, the
 applicable rates now or hereafter prescribed or authorized
 by law on fourth-class matter.

“THIRD-CLASS MAIL

“SEC. 303. (a) The rates of postage on third-class mat-
 ter shall be 3 cents for the first two ounces or fraction thereof,
 and $1\frac{1}{2}$ cents for each additional ounce or fraction thereof
 up to and including 8 ounces in weight, except that on
 matter mailed by religious, educational, scientific, philan-
 thropic, agricultural, labor, veterans', or fraternal organiza-
 tions or associations, not organized for profit and none of the
 net income of which inures to the benefit of any private
 stockholder or individual, the rates shall be as follows:

1 “(1) $1\frac{1}{2}$ cents for each 2 ounces or fraction thereof
2 on books and catalogs of twenty-four pages or more,
3 seeds, cuttings, bulbs, roots, scions, and plants not
4 exceeding 8 ounces in weight; and

5 “(2) 2 cents for the first 2 ounces or fraction there-
6 of and 1 cent for each additional ounce or fraction thereof,
7 on all other third-class matter.

8 “(b) Upon payment of a fee of \$50 for each calendar
9 year or of \$15 for each quarter of a calendar year and
10 under such regulations as the Postmaster General may pre-
11 scribe for the collection of postage and for facilitating the
12 handling of such matter in the mails, separately addressed
13 identical pieces of third-class matter in quantities of not less
14 than twenty pounds, or of not less than two hundred pieces,
15 may be mailed at pound rates of postage applicable to the
16 entire bulk mailed at one time. The rate of postage on third-
17 class matter mailed in bulk under this subsection shall be 16
18 cents for each pound or fraction thereof with a minimum
19 charge per piece of $1\frac{1}{2}$ cents, except that in the case of books
20 and catalogs of twenty-four pages or more, seeds, cuttings,
21 bulbs, roots, scions, and plants the rate shall be 10 cents for
22 each pound or fraction thereof with a minimum charge per
23 piece of $1\frac{1}{2}$ cents. The rate of postage on third-class matter
24 mailed in bulk under this subsection but without individual
25 addresses for delivery under regulations prescribed by the

1 Postmaster General shall be subject to a minimum charge
2 per piece of 2 cents. The rates of postage prescribed by this
3 subsection shall not apply with respect to matter mailed by
4 religious, educational, scientific, philanthropic, agricultural,
5 labor, veterans', or fraternal organizations or associations,
6 not organized for profit and none of the net income of which
7 inures to the benefit of any private stockholder or individual,
8 and the existing rates of postage shall continue to apply with
9 respect to such matter.

10 “(c) Pieces or packages of third-class mail of such size
11 or form as to prevent ready facing and tying in bundles and
12 requiring individual distributing throughout shall be sub-
13 ject to a minimum charge of 5 cents each.

14 “CONTROLLED CIRCULATION PUBLICATIONS

15 “SEC. 304. The rate of postage on the publications de-
16 fined in section 203 of the Act of July 3, 1948 (39 U. S. C.,
17 sec. 291b), when mailed by the publisher and regardless of the
18 weight of individual copies, shall be 11 cents for each pound
19 or fraction thereof, computed on the entire bulk mailed at one
20 time, but not less than $1\frac{1}{2}$ cents per piece, which rate shall
21 remain in effect until otherwise provided by Congress: *Pro-*
22 *vided*, That the rate of postage on copies of such publications
23 when mailed by other than the publishers, or when for-
24 warder to the addressee or returned to the sender, shall be 3

1 cents for the first two ounces and $1\frac{1}{2}$ cents for each additional
2 ounce.

3 "DOMESTIC AIR MAIL

4 "SEC. 305. The rate of postage on domestic air mail
5 as defined in section 2 of the Act of August 14, 1946 (39
6 U. S. C., sec. 462a), weighing eight ounces or less (except
7 postal cards and private mailing or post cards) shall be 7
8 cents for each ounce or fraction thereof.

9 "DETERMINATION OF CLASS OF POST OFFICE AND COMPEN-
10 SATION OF POSTMASTER AND CERTAIN EMPLOYEES

11 "SEC. 306. (a) On and after January 1, 1955, 85 per
12 centum of the gross postal receipts of all classes of post
13 offices shall be counted for the purpose of determining the
14 class of the post office or the compensation or allowances
15 of postmasters or other employees whose compensation or
16 allowances are based on the annual receipts of such offices.
17 Nothing contained in this subsection shall operate to decrease
18 the compensation or allowances in effect on the effective date
19 of this subsection for postmasters and other employees in
20 the postal field service on such date whose compensation or
21 allowances are based upon the annual receipts of such offices.

22 "(b) In the case of the post office at Washington, Dis-
23 trict of Columbia, the Postmaster General may, in his
24 discretion, add to the gross receipts of such office counted

1 for the purposes of subsection (a) of this section not to
 2 exceed 75 per centum of such gross receipts.

3 “(c) Notwithstanding any other provision of law, the
 4 salaries of postmasters at fourth-class post offices, as fixed
 5 by law, shall be deemed and taken to be full compensation
 6 for the clerical labor in the issuance of money orders at such
 7 offices.

8 “REPEAL OF EXISTING PROVISIONS OF LAW

9 “SEC. 307. (a) The following provisions of law are
 10 hereby repealed:

11 “(1) Section 202 (a) (4) of the Act of February
 12 28, 1925, as amended by section 4 of the Act of May 29,
 13 1928 (39 U. S. C., sec. 283) ;

14 “(2) Section 204 of the Act of February 28, 1925
 15 (39 U. S. C., sec. 288) ;

16 “(3) Section 2 (d) of the Act of October 30, 1951
 17 (39 U. S. C., sec. 289a (d)).

18 “(b) All laws or parts of laws inconsistent with this
 19 Act are hereby repealed or modified to the extent of such
 20 inconsistency.

21 “APPLICATION TO GUAM

22 “SEC. 308. This title shall have the same force and effect
 23 within Guam as within other possessions of the United
 24 States.

1 "EFFECTIVE DATES

2 "SEC. 309. This title shall take effect on January 1,
3 1955, except that section 302 (a) and (b) shall take effect
4 on April 1, 1955."

Calendar No. 2010

83d CONGRESS
2d Session

H. R. 7774

AMENDMENTS

Intended to be proposed by Mr. KNOWLAND to the bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

August 19 (legislative day, August 5), 1954

Ordered to lie on the table and to be printed

New Mexico, Utah, and Wyoming in the following proportions:

	Percent
Colorado.....	51.75
New Mexico.....	11.25
Utah.....	23.00
Wyoming.....	14.00

The apportionment to each State includes all water necessary for the supply of any rights which now exist.

These figures are based on the Bureau of Reclamation figures on the annual production of water in the Colorado River drainage area in the State of Colorado; Bureau figures on the actual stream flow of the Colorado River at Lee Ferry for the 10-year period 1941-51; and Bureau figures on the total evaporation annually of the 10 storage reservoirs which they have recommended for construction in the upper Colorado Basin. These calculations are also based on the irrevocable terms of the Treaty with Mexico, and the stipulations of the 7-State compact of 1922 and the 5-State Santa Fe compact of 1948. I invite the Bureau of Reclamation or any one interested in these statistics to apply the fixed factors which are or will be present, and the terms of irrevocable compacts and treaties, and show that I have overestimated the total maximum unallocated water remaining in the Colorado Basin for consumptive use in the State of Colorado.

These dispositions of Colorado-produced water affect Colorado's western slope as a whole. But these out-of-State burdens have not been allocated among her four watersheds. These watersheds may be defined roughly as the San Juan, the Gunnison, the Grand, and the Green-White-Yampa basins. If the use and conservation of the water of these basins are developed simultaneously, each will bear its proportionate share of the downstream burden established by the irrevocable compacts which the State of Colorado has entered into with the other States of the upper and lower basins of the Colorado River.

If one of these basins in the State of Colorado lags in the use, conservation and development of its water, then it follows that that basin must bear a disproportionate share of the delivery of water to fulfill Colorado's commitment downstream.

The cold facts are that the Green-White-Yampa Basin is far behind the other three basins in the use, conservation and development of its water. Under this present authorization bill it will lose all right to all of its remaining unallocated water, and all of its potential for future water development, unless safeguards in the way of reservations and guaranties are established in the pending legislation.

If something is not done now the Green, White, and Yampa Rivers will be obligated in perpetuity to deliver all of their water downstream to satisfy the commitments the State of Colorado has consummated in irrevocable compacts. In a lesser degree, all of our watersheds face that danger, too. The pending legislation can either cure or aggravate this material threat of gross inequality to important sections of the western slope. In fact, it is incumbent on the Congress in this bill to resolve the very serious problem of an equitable division of the waters of the western slope. If the pending measure is enacted as it now reads, all four basins of the western slope will be thrown into a state of uncertainty, suspicion, inequities, and cutthroat competition to obtain its share of water by priority of development.

Any worthy plan for the development of the upper Colorado River Basin should encompass and visualize in the plan a complete development of the whole upper basin at one time, and not plan it piecemeal as the present bill does. Projects must be built one at a time, but they should be planned together. Since the basic law of "first in use,

first in right" prevails, provisions in the authorization must be made to insure the future equitable development of the four basins in Colorado, if distortion and inequities are not to be the result.

No one expects all the projects on the upper Colorado to be built simultaneously. There probably will be a 30-year lag between the first construction and the last, but if the last is protected in the law now, the last project in the last of the four watersheds on the western slope to be built will have its rights preserved.

In this connection I want to call attention to pertinent portions of the upper basin compact:

Article V, upper basin compact:

"(b) All losses of water occurring from or as the result of the storage of water in reservoirs constructed after the signing of this compact shall be charged as follows:

"1. The whole or that portion, as the case may be, of reservoir losses as found by the Commission to be reasonably and properly chargeable to the reservoir or reservoir capacity utilized to assure deliveries at Lee Ferry shall be charged to the States of the upper division in the proportion which the consumptive use of water in each State of the upper division during the water year in which the charge is made bears to the total consumptive use of water in all States of the upper division during the same water year."

Accordingly, Colorado is charged with approximately 51.75 percent of the loss by evaporation of the Glen Canyon, Echo Park, Cross Mountain, and all other storage projects that may be built on the upper Colorado River.

Article XIII, upper basin compact:

Subject to the provisions of this compact, the rights to the consumptive use of the water of the Yampa River, a tributary entering the Green River in the State of Colorado, are hereby apportioned between the States of Colorado and Utah in accordance with the following principles:

"(a) The State of Colorado will not cause the flow of the Yampa River at the Maybell gaging station to be depleted below an aggregate of 5 million acre-feet for any period of 10 consecutive years reckoned in continuing progressive series beginning with the 1st day of October next succeeding the ratification and approval of this compact."

Since the average annual flow of the Yampa River at the Maybell gaging station is 1,160,000 acre-feet, it should be plain from the above provision that half of that flow is dedicated to consumptive use in Utah.

An excellent feature of the plan to develop the upper Colorado River Basin is the very vital provision that water uses for power are subservient to uses for irrigation and domestic purposes. Under such a provision never can storage reservoirs downstream call on Colorado for delivery of water which Colorado has a right to use for irrigation and domestic purposes.

Even though the powerplants downstream are built earlier than facilities upstream are constructed for irrigation and domestic purposes, the subsequent upstream consumptive uses in Colorado cannot thereby be affected.

During the past year a bitter controversy has been raging between the Colorado east- and west-slope residents. Obviously this dispute cannot and ought not to be resolved by Congress. It can and must be settled in Colorado by reasonable men of both slopes willing to analyze all factors without bitterness or name calling. The eastern slope contends that there is an unallocated surplus of public water in the Colorado Basin. The western slope maintains that the exact quantity and location of such water is unknown and that the full potential requirements of the western slope have not been fully considered.

There are two very different types of projects in the upper basin of the Colorado River which will be authorized by S. 1555. One is "Storage projects," the other "Participating projects." Storage projects have as their purpose the regulation of the stream-flow and insurance to the lower basin that it will receive its stipulated quantity of water as the water is required. I have pointed out already that the lower basin under the seven-State compact has been awarded the lion's share of the streamflow. Now it is proposed in this legislation to deliver this water in an even and regular flow in dry cycles and wet cycles through the years.

I would be far more enthusiastic about S. 1555 if it were to authorize the construction of all of the participating projects in the upper basin first, and afterward regulate the flow of the river downstream. The upper States need to have the water to which they are entitled now. It is their turn to have irrigation projects built. The lower basin already has Lake Mead which insures it the water it needs when it needs it. Now the upper States should have their reservoirs constructed.

It is not planned that way, however, and S. 1555 does not so provide. The first project to be built is the Glen Canyon Dam.

This storage reservoir would be located on the Colorado River in Arizona about 13 miles downstream from its northern State line and approximately 15 miles upstream from Lee Ferry. It would have a total capacity of 26 million acre-feet. When filled, it would have a maximum water-surface area of 153,000 acres and form a lake 187 miles long. It would produce annually over 3 billion kilowatt-hours and have a generating capacity of 800,000 kilowatts. It would have an evaporation of 526,000 acre-feet annually. It would catch 100,000 acre-feet of silt which normally would be delivered to the lower basin States at Lee Ferry and be measured as water.

The 526,000 acre-feet of evaporation, plus 100,000 acre-feet of sediment annually, adds up to a loss at Lee Ferry of 626,000 acre-feet annually, which, without the construction of the Glen Canyon Dam, would flow directly into Lake Mead and be credited to the upper basin States as water delivered under the 1922 compact.

Another interesting observation: Under the 1948 compact, 320,000 acre-feet of that loss would be charged annually to the State of Colorado as water consumed by it.

This huge dam will cost the upper basin \$421 million to build. It is hoped that through the sale of power this cost can be liquidated in 40 years. After its construction costs have been repaid, the project could pay something toward the development of the upper basin.

Glen Canyon should add 500 years to the life of Lake Mead, and that is a worthwhile contribution to the lower basin and fully justified, but in those 500 years it will have cost the upper basin States 313 million acre-feet of water in evaporation and silt deposits without any cost whatever to the lower basin.

It will insure the lower States their full share of the water of the Colorado River which was allocated to them by the compact of 1922, regardless of how little water the upper basin States may produce. In other words, it is fully justified by the contribution it renders the lower States, and not for any contribution it renders to the upper basin States. It is so essential to the lower basin that if the upper basin would not build it the lower basin would have to do so.

Altogether, there are 10 storage reservoirs contemplated, of which Glen Canyon is the largest by far. In fact, it will have more than twice the capacity of all the others

added together. It is the sort of project that engineers dream about.

These facts were supposed to appease the California "Colorado River Board" and make the development of the upper basin acceptable to them, but it has not had that effect. Congressman ENGLE from California was correct when he told this board that in their relentless opposition to Glen Canyon they were not serving their own best interests.

I shall not discuss the other storage projects except to name them in the order of their feasibility: Glen Canyon, Echo Park, Cross Mountain, Split Mountain, Flaming Gorge, Currencanti, Navaho, Gray, Crystal and White Water.

Now I shall list participating projects in Colorado which do not appear in S. 1555. It is my considered judgment that if these projects are not specifically authorized in this legislation, they may never have an opportunity to be constructed. I shall not name them in the order of their preference, but will start in the southern part of the State and move northward.

Dolores project: The McPhee Reservoir with a total capacity of 328,000 acre-feet and an active capacity of 153,000 acre-feet, on the Dolores River. The dam will be 10 miles downstream from the town of Dolores. It would provide supplementary water from the Montezuma Valley and irrigation water for the Dove Creek area.

The Gunnison River project, consisting of the following units: Fruit Growers Dam project extension, Tomichi Creek, Cochetopa Creek, East River, Ohio Creek, Cebolla Creek, Gateway, Pine Creek, Fruitland, Bostwick Park, Goddard Mesa, Grand Mesa, North Delta, Dallas Creek, and Kannah Creek.

Cliffs-Divide project, consisting of the following units: Fraser, Parshall, Troublesome, Rabbit Ear, Straight Creek, Cataract Lake, Harsha, Toponas, Burns, Eagle-Divide, Pando, Gypsum, Woody Creek, Cattle Creek, West Divide, Parachute, Roan Creek, Blue-stone, and Battlement Mesa.

Crystal River project, consisting of the following units: Redstone and Placita.

Trappers Lake project.

Meeker project, 12 miles downstream from the town of Meeker.

Upper Bear project on Yampa River.

Juniper Reservoir project.

Savery-Pot Hooks project.

All of these participating projects are on the western slope of Colorado. All of them are needed desperately. I hope my amendment to include them in S. 1555 is approved by the Senate.

ECHO PARK DAM

Mr. CRIPPA. Mr. President, we have been considering the Colorado storage project, and I have a statement with regard to the Echo Park Dam. I ask unanimous consent that this statement be inserted in the body of the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WHY THE ECHO PARK DAM

I would like to make a short statement on one phase of the Colorado storage project—this controversy over the Echo Park Dam. The publicity, misstatements, and misinformation, now of national scope, is way out of proportion to the facts.

First of all, it must be a good damsite for engineers have had their eyes on it in one plan or another for more than 40 years. Investigations were made for storage reservoirs in the Lodore and Yampa Canyons by reclamation engineers in what is now the Dinosaur National Monument as early as 1904. These damsites were again referred to

by United States Geological Survey Water Supply Paper No. 395 in 1916. The importance of the Echo Park site was emphasized in water supply paper 618 in 1930. Foundation drilling at the site started in 1939 by the Bureau of Reclamation, and the extensive studies made of all major sites in the Upper Colorado River Basin since that time, clinched the conclusion that this site should be used.

The important questions are: Why is Echo Park so important and actually what is there against it? First, here are the principal advantages of the dam and reservoir in the carefully worked out plan for the development of the water and the many other resources of the Upper Colorado River Basin.

1. The storage capacity and power generation at Echo Park is second in size to Glen Canyon in the ultimate storage reservoir system planned for the upper basin.

2. Percentage-wise, the evaporation losses from the remarkable storage vessel at Echo Park is less than at all other sites possessing major storage possibilities in the upper basin.

3. The saving of evaporation at Echo Park over the Dewey site, the only true alternative, is, I am told, 120,000 acre-feet annually—a very important quantity of water in a desert area where there is not enough water to go around.

4. The Echo Park Reservoir, being located just below the junction of the Green and Yampa Rivers, would regulate the flow of both rivers not performed by the upstream reservoirs planned at the Flaming Gorge and Cross Mountain sites. In addition to enhancing the value of both these upstream reservoirs for regulation and power, it would contribute materially to the feasibility of the two downstream reservoirs at the Split Mountain and Gray Canyon sites.

The Echo Park unit is not in my State, but I am well aware of what it means to Wyoming, as well as to Colorado and Utah. Its use is the key to the economic development of the upper end of the basin. It is in the center of the upstream power market, in the center of a system of proposed large dams and power plants, and in the center of many other resources waiting to be developed, such as the phosphate rock for fertilizer and chemicals, oil shale, coal, trona beds, and many important minerals.

With all the virtues of Echo Park, what is there against it? The opponents claim two objections: First, it invades the Dinosaur National Monument, and, second, it destroys scenery and rapids. Let's review the facts.

First, as to the invasion of the monument. There are plenty of documents to show that in 1938 when the original Dinosaur National Monument was expanded from the 80 acres containing the dinosaur fossils to some 203,000 acres, it was with the understanding that dams could be built in the area. In fact, the Presidential Proclamation states that it shall not affect the operation of the Federal Water Power Act of June 10, 1920, and that the administration of the monument shall be subject to the reclamation withdrawal of October 17, 1904. There is no precedent to break. There is no invasion. It was planned that way from the beginning.

Next, as to destroying rapids and scenery. The Echo Park Reservoir will partially inundate 2 or 3 scenic areas, but in doing so will make possible boating through the beautiful Lodore and Yampa canyons by many, many people—not just the few who are rugged enough and have the finances and the desire to make the trip.

Yes, the rapids (which you can traverse by boat only during a few weeks of each year) will be gone, but there are plenty left in the hundreds of miles of the Colorado River. It should be obvious to most anyone that the new recreation from Echo Park will dwarf what we people feel is insignificant damage—to say nothing of the

economic factors which I previously mentioned.

The word "conservationist," the label of the opponents to Echo Park, is certainly misused. Actually the people of the upper Colorado River Basin who are developing that region are the conservationists. They want to conserve the water from unnecessary evaporation; they want to open the deep rugged canyons in the monument area for all the people, and above all they want to develop the water and the many other resources for themselves and the Nation.

This project will create jobs. This project will take care of unemployment in our area. Moneys spent in these projects is not money wasted, but is money usefully spent for the benefit of our own peoples.

Every drop of water wasted is never returned.

CONSTRUCTION, OPERATION, AND MAINTENANCE OF COLORADO RIVER STORAGE PROJECT

The Senate resumed the consideration of the bill (S. 1555) to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes.

Mr. KNOWLAND. Mr. President, what is the unfinished business before the Senate?

The PRESIDING OFFICER. The unfinished business is S. 1555. The committee amendment in the nature of a substitute has been agreed to. No further amendment is in order, so the question is on the engrossment and third reading of the bill.

PAY INCREASES FOR GOVERNMENT EMPLOYEES

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of H. R. 7774, the so-called pay increase bill.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

Mr. KNOWLAND. Mr. President, I call the attention of the acting minority leader to the fact that I previously submitted—and I now send forward in typewritten form—a proposed unanimous-consent request, and I ask that the clerk read it for the information of the Senate.

Mr. SMATHERS. Mr. President, I should like to ask the majority leader to withhold that request for 5 minutes, until the minority leader is present.

Mr. KNOWLAND. I shall withdraw the request for the moment.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from Michigan.

AMENDMENT OF REVENUE ACT OF 1951

Mr. FERGUSON. Mr. President, I have proposed an amendment to H. R.

people but there is just one discrepancy insofar as they are concerned. Their opinions cannot be recorded in local voting booths.

GUILTY

But they should not be misled especially in regards to the airbase. We are indeed fortunate in having this installation in the area. The story would have you believe there were deals made between political and military forces. If it is a crime to give your State the greatest protection the world has to offer then STYLES BRIDGES is guilty. He fought and he fought hard for a Strategic Air Command base. Before the base is complete it will be a \$100 million installation.

The vast majority of people in New Hampshire consider this to be one of the greatest contributions to the State. Insofar as deals are concerned, the military might of Uncle Sam comes first with the Senator. If the Air Force preferred other locations they would not have settled for the present site.

We have repeatedly discussed this with many of the top-ranking officers of the Air Force both in off-the-record and open meetings. These men are interested in the defense of America and not the defense of American politicians.

Reporter magazine classifies this project as "a new kind of pork." Their charges sound like pork products and we never did care much for ham.

Injudiciously the Reporter failed to mention that the Senator topped the ticket in 1948 with 129,600 compared to his opponent's 91,760. Remember, that was a presidential election year and the Dewey electors garnered 121,999 to Truman's 107,995. That same year Sherman Adams received 116,212 and his Democrat opponent, Herbert W. Hill, 105,207.

Two years later Adams topped the ticket with 108,907 while the late Senator Tobey received 106,142.

If some of the enemies of STYLES BRIDGES would only band together and offer constructive criticism then maybe the people would listen to them. However, until they put away their tomahawks and stop being hatchetmen not many care to follow their trail.

The people like a battle but they certainly don't want to see the contestants so heavily laden with mud that they are repulsive. Nor do they want to see men who have done a good job being attacked from outside our boundaries. We like to settle our own affairs in this State our own way.

It just seems rather difficult to accept this vengeful diatribe of the Reporter magazine as being offered in the interest of better government. It seeps with the blood of hate for a man who has courageously fought in the interest of good government.

[From the Rochester (N. H.) Courier of July 22, 1954]

AROUSES SYMPATHY FOR BRIDGES

In our opinion, the attack on Senator STYLES BRIDGES last week by the Reporter magazine will help rather than harm the Senator's chances for reelection, not that he had much to worry about anyhow. Wild and bitter charges are nothing new in a political campaign, but seldom in modern times has a public figure been attacked so bitterly and with such evident purpose to smear.

What is this Reporter magazine way? What is its status in the publishing field, and who is behind it? Those are questions New Hampshire people would like to know, as well as who asked them to choose our candidates?

The article has aroused the ire of New Hampshire voters, many of whom were not always in agreement with STYLES BRIDGES, and many of them will vote for him out of protest against such a thoroughly scurrilous attack.

[From the Washington Post and Times Herald of July 27, 1954]

THE ATTACK ON BRIDGES

(By George Sokolsky)

The Reporter, a magazine owned and edited by Max Ascoli, who arrived in this country sometime in 1931 on a grant-in-aid from the Rockefeller Foundation, has published an astonishing article on Senator STYLES BRIDGES.

Perhaps BRIDGES deserves 35 percent of this issue of this magazine, but when it was discovered that for some reason the State of New Hampshire was blanketed with copies, one wonders what was the interest and who spent the money for the free distribution. True, STYLES BRIDGES is a candidate this year for reelection to the United States Senate, of which he is President pro tempore. As it is expected that his reelection is assured, one wonders why all this excitement.

Apparently, STYLES BRIDGES' greatest crime, according to the Reporter, is:

"* * * A lonely Republican internationalist before the outbreak of the Second World War, he has in the main voted silently for the major postwar foreign-policy programs while at the same time endorsing every crippling amendment dreamed up by such Senators as Kem, Jenner, Dirksen, Welker—and by himself. He has regularly voiced deep discontent with some of America's allies in Europe, but has pledged undying support to the exiled government of Chiang Kai-shek."

Who does not voice discontent with some of America's allies in Europe?

STYLES BRIDGES has been a tower of strength to the Republicans in the Senate, particularly after the death of Robert A. Taft, because his personality is such that he has often been able to quiet down the quarrelling factions and personalities in the party.

From this introduction to BRIDGES' faulty thinking, the article proceeds in minute detail to discuss all of the favors that this Senator may or may not have done for constituents or citizens for whom he may have intervened. I should like to devote what space remains to me to refer to chapter VIII of the article entitled "China Lobby, New Hampshire Division."

Of course, there is no China lobby. Alfred Kohlberg, an American merchant and manufacturer who loves China, started this nonsense by denominating himself "The China Lobby" and demanding that he be investigated, which no one does because Kohlberg spends his own money fighting communism.

It so happens that Senator BRIDGES opposes communism in China as anywhere else and therefore Kohlberg favors BRIDGES, as he does everyone who opposes communism.

[From the Nashua (N. H.) Telegraph of July 30, 1954]

AROUND THE TOWN

The campaign to defeat Senator STYLES BRIDGES or put him in bad repute with his constituents which flowered suddenly in the weeks just prior to the closing of the filing period yesterday, did not reach its objective. BRIDGES won the party nomination to the United States Senate by default, no opposition lining up to test him in the Republican primary.

If for one minute there has been serious chinks in BRIDGES' political armor someone would have stepped into the breach pretty fast to capitalize on the weakness. But BRIDGES' friends stand by him and his enemies, while noisy enough, are decidedly in the minority in his adopted State. If the ammunition that some have been shoveling into this State was potent enough, too, it would have been seized and used against the senior Senator.

Someone sent a lot of money home to start a bonfire which would engulf the Senator. It petered out into nothing but smoking ruins. All political leaders meet their fate some day if they run long enough, of course. This doesn't shape up as the time for BRIDGES. He seems a shoo-in for his fourth successive 6-year term as United States Senator from New Hampshire.

BRIDGES AND ECONOMY

The Reporter magazine attack on New Hampshire senior Senator STYLES BRIDGES, in its current issue which was widely circulated in his home State on what one might say the eve of the primary here, seems to have had little effect on his political fortunes. The filing period for candidates seeking party nomination in our September primary ended at the close of business at the office of the Secretary of State in Concord yesterday. The Senator faces no opposition in his party.

The fact that the Senator does not face opposition in his own party primary in a State which is strongly Republican indicates, at least in some measure how people reacted to the magazine indictment. As safe as it can be said in anything so uncertain as politics, in the return of the long-time Senator from our State to Washington for his fourth term. He is winding up his 18th year in the United States Senate, after serving a term as governor of his adopted State.

Mr. JOHNSON of Texas. Mr. President, I was detained from the Chamber during the address of the able senior Senator from New Hampshire, the distinguished chairman of the Appropriations Committee.

First, I wish to say that I did not read the Reporter magazine article, and I am not interested in reading it, if what I heard on the floor of the Senate is any indication of its utter lack of reliability.

Second, I wish to say that the distinguished senior Senator from New Hampshire came to Congress in 1936, I believe, 1 year before I came to the House of Representatives. During the period of years which have elapsed since then, I have known him intimately. During that period, I have served for more than 5 years on the same committee with the senior Senator from New Hampshire. He has served as leader of the Republican Party when I was acting leader and leader on this side of the aisle.

I should like to have the RECORD show, and I should like to have the country know, that I have never associated with a man whom I consider more honorable, more patriotic, or more able; and I deeply treasure his friendship.

Mr. BRIDGES. I thank the distinguished Senator from Texas.

Mr. COOPER. Mr. President, I should like to say that in my short service in the Senate no one has been more considerate or helpful than the distinguished Senator from New Hampshire [Mr. BRIDGES].

On every occasion when I have found it necessary to consult with him about bills and matters before his committees or upon the work of the Senate, he has always given freely of his time and interest. He has shown the same interest in the problems of my State and the same courtesy to the people of my State. He is true to his word and loyal to his friends. He is a patriot, and devoted to his country.

Mr. KENNEDY. Mr. President, I wish to join with the Senator from Kentucky in paying tribute to the distinguished Senator from New Hampshire. We in New England are proud of his distinguished service, not only to New Hampshire, but to all of the New England States. Therefore, I wish to join with the Senator from Kentucky in the tribute paid to the services which the Senator from New Hampshire has rendered.

Mr. FERGUSON. Mr. President, I have not read the article which has been referred to, but, as the ranking Member on the Republican side serving under the distinguished Senator from the State of New Hampshire, I wish to echo what has been said on the floor of the Senate tonight by his colleagues.

Mr. BRIDGES. I am deeply grateful to my colleagues for the opportunity of making these remarks. I have long awaited the chance and suddenly it developed tonight. It pleases me that so many of my colleagues are present and I am deeply moved by their attention and the spontaneous remarks in my behalf from both sides of the aisle. I shall never forget your tremendous expression of confidence in me.

PAY INCREASES FOR GOVERNMENT EMPLOYEES

The Senate resumed the consideration of the bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

Mr. KNOWLAND. Mr. President, I send to the desk a proposed unanimous-consent agreement, on behalf of the majority leader and the minority leader, and ask that it be read, for the information of the Senate.

The PRESIDING OFFICER. The proposed agreement will be read.

The legislative clerk read as follows:

Ordered, That upon the convening of the Senate on Friday, August 20, 1954, during the further consideration of H. R. 7774, to establish a uniform system for the granting of incentive awards to officers and employees of the United States, debate on the amendment intended to be proposed by the Senator from California [Mr. KNOWLAND], and motions thereto, shall be limited to not exceeding 2 hours, to be equally divided and controlled, respectively, by the mover of the amendment and the minority leader, and 30 minutes on any other amendment or motion, to be equally divided and controlled, respectively, by the mover of any such amendment or motion, and the Senator from Kansas [Mr. CARLSON] in the event he is opposed to any such amendment or motion; otherwise, by the mover and the minority leader: *Provided*, That no amendment that is not germane to the subject matter of the said bill shall be received: *And provided further*, That debate upon the bill itself shall be limited to not exceeding one hour, to be equally divided and controlled, respectively, by the Senator from Kansas [Mr. CARLSON] and the Senator from Texas [Mr. JOHNSON].

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the proposed agreement be entered.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Texas. Mr. President, I have conferred with the Members on this side of the aisle who are principally concerned with this proposed legislation, and specifically with the distinguished ranking member of the Post Office and Civil Service Committee, the Senator from South Carolina [Mr. JOHNSTON].

I am very hopeful that the proposed agreement will be entered into. I urge the majority leader to eliminate the morning business in the morning, for the reason that a number of Senators hope we can get a vote on this bill and on any other bill on which the majority leader desires to have a vote, because we may find ourselves with another problem, namely, that of maintaining a quorum, if we do not move ahead.

It seems to me that during the rather liberal time we have, if there is any necessity for making insertions in the RECORD we can allow for that. We have been here from 10 o'clock in the morning until 10 o'clock at night, or later, throughout the week. I do not think it is asking too much of the membership to ask them to forego the morning hour under the 2-minute rule because that could be objected to in the morning, anyway.

If it is agreeable to the majority leader, let us have an understanding that there will not be any morning hour, that the Senate convene at 10 o'clock, and at 12 o'clock Senators will be present to vote on the Knowland amendment.

If the conference report on the social-security bill is ready, we can vote on that. If we cannot do so, individual Senators can determine for themselves what the course of wisdom dictates, and the leadership can at least make one supreme effort to conclude the session.

Mr. KNOWLAND. Let me say to the Senator from Texas that I am perfectly agreeable, if it is the wish of the Senate, not to have a morning hour.

However, I should like to say to the Senator from Texas that at least I should like to establish a quorum in the morning, so that some Senators will be present during the course of the debate. I ask all Senators to be present if possible. We have before us an important bill in which there is a great deal of interest, and there is an honest difference of opinion. I request that Senators make a special effort to be present during the course of the debate.

Mr. JOHNSON of Texas. I join the majority leader in expressing the hope that every Member of the minority will be present when the Senate assembles at 10 o'clock in the morning. On the other hand, I do not want to have this agreement objected to. Knowing of the plans of some Senators, I am afraid if we have a morning hour we shall run into that problem. If we could eliminate the morning hour and let our time start to run immediately following the prayer, with all of us being present, we could certainly have a quorum before the vote was taken. I shall do my best to secure the attendance of Senators, if the majority leader will do the same.

Mr. KNOWLAND. I am perfectly willing to eliminate the morning hour and

not ask for a morning hour tomorrow until we have completed the work on the postal-pay bill. I do not wish to waive the right of a quorum call. I hope Senators on both sides of the aisle will be present, but I do wish to establish a quorum.

Mr. JOHNSON of Texas. If the Senator desires a live quorum, that may require an extra 45 minutes or an hour. This is the program of the Senator from California, but I certainly desire to finish the session.

Mr. KNOWLAND. I desire to do so, also. I will make a special effort to do so.

I now ask the majority secretary to call each Senator's office at 9 o'clock in the morning and urge all Senators to be present in the Senate Chamber when we convene. We have a bill to consider which deals with several hundred million dollars, dealing with both expenditures and the postal pay raise. In view of the importance of the bill, I urge all Senators to be present. If they are here promptly, a quorum can be established promptly, and we can proceed with the debate on the bill.

Mr. JOHNSON of Texas. Let me ask the Senator this question: If we are to spend 30 or 40 minutes trying to obtain a quorum, will the Senator from California consider letting some of us come to the Senate at nine-thirty in the morning, to start obtaining a quorum? Some Senators wish to leave. They have plane reservations.

Mr. KNOWLAND. I have no objection to convening at 9:30, if that is agreeable.

Mr. JOHNSON of Texas. Then we can establish a quorum, I appeal to Senators to be present.

Mr. KNOWLAND. Yes.

Mr. JOHNSON of Texas. Then, Mr. President, let us eliminate from the request the requirement "after the morning business on Friday," and say "following the convening of the Senate on Friday"—

The PRESIDING OFFICER. Does the Chair understand that the request of the Senator from California is to modify the unanimous-consent request?

Mr. KNOWLAND. Yes. I ask that it be modified on behalf of both the majority leader and the minority leader, and that it be with the understanding that when the Senate takes a recess tonight it be until 9:30 tomorrow morning.

The PRESIDING OFFICER. Is there objection to the request as modified? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, let me ask the majority leader a question. After the vote on the bill, of course, we hope the social security conference report will be ready. Has the Senator in mind any further major legislation? I realize that many calendar bills have been discussed? Does the Senator know of any other items to be considered?

Mr. KNOWLAND. Of course, we have the conference report on the social security bill. I do not know what other bills may be in process, with the House having amended Senate amendments and so on. We have the unfinished business which is before the Senate, and we have

2 or 3 of what might be called minor bills on which the administration would like to have action.

In addition, several treaties are on the Executive Calendar.

Mr. JOHNSON of Texas. The Senator from California, in his usual friendly spirit and his optimistic manner, has now reached the conclusion that we can probably finish tomorrow evening?

Mr. KNOWLAND. I certainly have the highest hopes that we can do so.

Mr. JOHNSON of Texas. I join the Senator in his optimism.

Mr. KNOWLAND. Mr. President, if I may have the attention of the minority leader as well as the attention of the Senator from Kansas [Mr. CARLSON] and the Senator from South Carolina

[Mr. JOHNSTON], if they are present, I ask unanimous consent that the vote by which the bill (H. R. 7774) was read the third time be reconsidered; that the committee amendment be agreed to; and that the bill, as thus amended, be considered as the original text, for the purpose of further amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendment agreed to was, to strike out all after the enacting clause, and insert:

TITLE I—EMPLOYEES GENERALLY

SEC. 101 (a) Section 603 (b) and section 603 (c) of the Classification Act of 1949, as amended, are amended to read as follows:

"(b) The compensation schedule for the General Schedule shall be as follows:

Grade	Per annum rates						
	\$2,670	\$2,750	\$2,830	\$2,910	\$2,990	\$3,070	\$3,150
1.....	2,920	3,000	3,080	3,160	3,240	3,320	3,400
2.....	3,120	3,200	3,280	3,360	3,440	3,520	3,600
3.....	3,345	3,425	3,505	3,585	3,665	3,745	3,825
4.....	3,580	3,705	3,830	3,955	4,080	4,205	4,330
5.....	3,985	4,110	4,235	4,360	4,485	4,610	4,735
6.....	4,415	4,540	4,665	4,790	4,915	5,040	5,165
7.....	4,850	4,975	5,100	5,225	5,350	5,475	5,600
8.....	5,315	5,440	5,565	5,690	5,815	5,940	6,065
9.....	5,775	5,900	6,025	6,150	6,275	6,400	6,525
10.....	6,235	6,435	6,635	6,835	7,035	7,235	
11.....	7,390	7,590	7,790	7,990	8,190	8,390	
12.....	8,780	8,980	9,180	9,380	9,580	9,780	
13.....	10,040	10,240	10,440	10,640	10,840	11,040	
14.....	11,240	11,490	11,740	11,990	12,240		
15.....	12,440	12,640	12,840	13,040	13,240		
16.....	13,440	13,640	13,840	14,040	14,240		
17.....	14,800						
18.....							

"(c) (1) The compensation schedule for the Crafts, Protective, and Custodial Schedule shall be as follows:

Grade	Per annum rates						
	\$1,980	\$2,040	\$2,100	\$2,160	\$2,220	\$2,280	\$2,340
1.....	2,590	2,660	2,730	2,800	2,870	2,940	3,010
2.....	2,722	2,802	2,882	2,962	3,042	3,122	3,202
3.....	2,920	3,000	3,080	3,160	3,240	3,320	3,400
4.....	3,144	3,224	3,304	3,384	3,464	3,544	3,624
5.....	3,370	3,450	3,530	3,610	3,690	3,770	3,850
6.....	3,605	3,705	3,805	3,905	4,005	4,105	4,205
7.....	3,925	4,050	4,175	4,300	4,425	4,550	4,675
8.....	4,360	4,485	4,610	4,735	4,860	4,985	5,110
9.....	4,795	4,920	5,045	5,170	5,295	5,420	5,545

"(2) Charwomen working part time shall be paid at the rate of \$2,870 per annum, and head charwomen working part time at the rate of \$3,010 per annum."

(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

(1) If the employee is receiving a rate of basic compensation immediately prior to the effective date of this section at one of the scheduled or longevity rates provided by the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding scheduled or longevity rate in effect on and after such date;

(2) If the employee is receiving a rate of basic compensation immediately prior to the effective date of this section at a rate between 2 scheduled or 2 longevity rates, or between a scheduled rate and a longevity rate, provided by the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the higher of the 2 corresponding rates in effect on and after such date;

(3) If the employee, immediately prior to the effective date of this section, is in a position in any one of the first 10 grades of the General Schedule or in any one of the grades of the Crafts, Protective, and Custodial Schedule, and is receiving a rate of basic compensation in excess of the maximum longevity rate of his grade as provided in this section, he shall continue to receive basic compensation without change in rate until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of

the Classification Act of 1949, as amended; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with such act, as amended;

(4) If the employee, immediately prior to the effective date of this section, is in a position in grade 11, 12, 13, 14, or 15 of the General Schedule, and is receiving a rate of basic compensation in excess of the maximum scheduled rate of his grade as provided in this section, he shall continue to receive basic compensation without change in rate until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with such act, as amended.

SEC. 102. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed pursuant to section 62 (2) of the Bankruptcy Act (11 U. S. S. 102 (a) (2)), section 3656 of title 18 of the United States Code, the second and third sentences of section 603, section 604 (5), or sections 672 to 675, inclusive, of title 28 of the United States Code, are hereby increased by 5 percent, except that no such rate shall be increased by more than \$440 per annum or less than \$170 per annum.

(b) The limitations of \$10,560 and \$14,355 with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges, contained in the

paragraph under the heading "Salaries of Supporting Personnel" in the Judiciary Appropriation Act, 1955, or in any subsequent appropriation act, shall be increased by the amounts necessary to pay the additional basic compensation provided by this act.

SEC. 103. (a) Each officer and employee in or under the legislative branch of the Government (other than an employee in the office of a Senator) whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946 shall be paid additional compensation at the rate of 5 percent of the aggregate rate of his rate of basic compensation and the rate of the additional compensation received by him under sections 501 and 502 of the Federal Employees Pay Act of 1945, as amended, section 301 of the Postal Rate Revision and Federal Employees Salary Act of 1948, the provisions under the heading "Increased pay for legislative employees" in the Second Supplemental Appropriation Act, 1950, and the act of October 24, 1951 (Public Law 201, 82d Cong.), except that no such officer or employee shall be paid additional compensation at a rate less than \$170 per annum or in excess of \$440 per annum.

(b) Section 2 (b) of the act of October 24, 1951 (Public Law 208, 82d Cong.), is amended by striking out "\$11,646" and inserting in lieu thereof "\$12,086".

(c) (1) The aggregate amount of the basic compensation authorized to be paid for administrative and clerical assistance and messenger service in the offices of Senators is hereby increased by—

(A) \$2,160 in the case of Senators from States the population of which is less than 3 million;

(B) \$2,400 in the case of Senators from States the population of which is 3 million or more but less than 5 million;

(C) \$3,120 in the case of Senators from States the population of which is 5 million or more but less than 10 million; and

(D) \$3,180 in the case of Senators from States the population of which is 10 million or more.

(2) The second proviso in the paragraph relating to the authority of Senators to rearrange the basic salaries of employees in their respective offices, which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U. S. C. 60f), is amended by striking out "\$5,880" and inserting in lieu thereof "\$6,180"; by striking out "\$7,320" and inserting in lieu thereof "\$7,620"; and by striking out "\$8,400" and inserting in lieu thereof "\$8,640."

(d) The rates of basic compensation of each of the elected officers of the Senate and the House of Representatives (not including the presiding officers of the two Houses), the Parliamentarian of the Senate, the Parliamentarian of the House of Representatives, the legislative counsel of the Senate, the legislative counsel of the House of Representatives, and the Coordinator of Information of the House of Representatives are hereby increased by 5 percent, except that no such rate shall be increased by more than \$440 per annum or less than \$170 per annum.

(e) (1) The provisions of subsection (a) shall not apply to employees whose compensation is paid from the appropriation contained in the paragraph designated "Folding documents" under the heading "Contingent Expenses of the Senate" in the Legislative Branch Appropriation Act, 1955 (Public Law 470, 83d Cong.).

(2) The limitations in the paragraph designated "Folding documents" under the heading "Contingent Expenses of the House" in the Legislative Appropriation Act, 1955 (Public Law 470, 83d Cong.), are hereby increased by 5 percent.

(f) The Official Reporters of the proceedings and debates of the Senate and their employees shall be considered to be officers or

employees in or under the legislative branch of the Government within the meaning of subsection (a) and the provisions of law referred to in such subsection.

(g) The additional compensation provided by subsection (a) and the provisions of law referred to in such subsection shall be considered a part of basic compensation for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended.

SEC. 104. Section 66 of the Farm Credit Act of 1933 (48 Stat. 269) is hereby amended to read as follows:

"SEC. 66. No director, officer, or employee of the Central Bank for Cooperatives, or of any production credit corporation, production credit association, or bank for cooperatives shall be paid compensation at a rate in excess of \$14,240 per annum."

SEC. 105. (a) The rates of basic compensation of officers and employees in the Department of Medicine and Surgery in the Veterans' Administration whose rates of basic compensation are provided by Public Law 293, 79th Congress, approved January 3, 1946, as amended, are hereby increased by 5 percent, except that no such rate shall be increased by more than \$440 per annum or less than \$170 per annum.

(b) Section 8 (d) of Public Law 293, 79th Congress, as amended, is amended by striking out "\$12,800" and inserting in lieu thereof "\$13,240."

SEC. 106. The rates of basic compensation provided by sections 412 and 415 of the Foreign Service Act of 1946, as amended, are hereby increased by 5 percent, except that no such rate shall be increased by more than \$440 per annum or less than \$170 per annum.

SEC. 107. The rate of basic compensation of the Treasurer of the United States shall be at the maximum scheduled rate of the highest grade established by the Classification Act of 1949, as amended.

SEC. 108. Notwithstanding any other provisions of this act, no rate of compensation which is \$14,800 or more per annum shall be increased by this act, and no rate of compensation shall be increased by this act to an amount in excess of \$14,800 per annum.

SEC. 109. Section 3 of the Travel Expense Act of 1949 (63 Stat. 166, as amended; 5 U. S. C. 836) is amended by striking out "\$9" and inserting in lieu thereof "\$12."

SEC. 110. This title shall take effect on the first day of the first pay period which begins after the date of its enactment.

TITLE II—POSTAL EMPLOYEES

SEC. 201. It is the sense of the Congress that—

(1) It is both necessary and desirable that an equitable system should be established for the classification of positions and the determination of salaries of postmasters, officers, and employees in the field service of the Post Office Department; and

(2) such classification and salary system should be established after a study of all problems relating thereto conducted by a commission composed of representatives of the Congress, the Post Office Department, and postal employees, and through the enactment of appropriate legislation pursuant to recommendations submitted to the Congress by such commission following the completion of such study.

SEC. 202. (a) The rates of basic compensation, other than rates referred to in subsection (b) of this section, of postmasters, officers, and employees in the postal field service whose rates of compensation are prescribed by the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes", approved July 6, 1945 (Public Law 134, 79th Cong.), as amended, are hereby increased by 5 per-

cent except that no such rate shall be increased by more than \$440 or less than \$200 per annum.

(b) (1) That part of the compensation schedule headed "Grades and Salaries of

Employees in the Automatic Grades" and contained in section 11A of such act of July 6, 1945 (Public Law 134, 79th Cong.), as amended, which provides hourly rates of compensation, is amended to read as follows:

"Hourly rates

"Clerks in post offices of the 3d class; carriers in village delivery service. Charwomen and charwomen."	\$1.435	\$1.485	\$1.54	\$1.59						
Mail handlers, messengers, watchmen; operators of the pneumatic tube service; garagemen-drivers.	1.495	1.55								
Special delivery messengers in post offices of the 1st class.	1.645	1.695	1.75	1.80						
Clerks; carriers in city delivery service; driver mechanics; general mechanics; dispatchers of the pneumatic tube service.	1.645	1.695	1.75	1.80	\$1.855	\$1.905	\$1.96			
Postal transportation clerks.	1.695	1.75	1.80	1.855	1.905	1.96	2.01	\$2.065	\$2.115	
Special mechanics.	1.80	1.855	1.905	1.96	2.01	2.065	2.115			
	2.02									

(2) The rates of basic compensation of postmasters at post offices of the fourth class are hereby increased by 5 percent.

(3) The rates of fixed compensation per annum of rural carriers are hereby increased by 5 percent except that no such rate shall be increased by more than \$440 or less than \$200 per annum.

(c) This section shall not apply to skilled-trades employees of the mail-equipment shops, job cleaners in first- and second-class post offices, and employees who are paid on a fee or contract basis.

(d) The increases in rates of basic compensation provided by this section shall not apply to longevity salary increases.

SEC. 203. Section 16 (r) of such act of July 6, 1945 (Public Law 134, 79th Cong.), as amended, which relates to travel allowances for employees in the Postal Transportation Service who are assigned to road duty, is amended by striking out "\$6 per day" and inserting in lieu thereof "\$9 per day."

SEC. 204. Any increase in rate of basic compensation by reason of the enactment of this title shall not be considered as an "equivalent increase" in compensation within the meaning of section 701 of the Classification Act of 1949, as amended, in the case of postmasters, officers, and employees in the postal field service who transfer or are transferred to positions within the purview of the Classification Act of 1949, as amended.

SEC. 205. In the exercise of the authority granted by section 81 of title 2 of the Canal Zone Code, as amended, the Governor of the Canal Zone is authorized to grant, as of the effective date of this section, additional compensation to postal employees of the Canal Zone Government, based on the additional compensation granted by this act to similar employees in the field service of the Post Office Department of the United States.

SEC. 206. This act shall have the same force and effect within Guam as within other possessions of the United States.

SEC. 207. (a) Section 7 of the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes", approved July 6, 1945 (Public Law 134, 79th Cong.), as amended, is amended to read as follows:

"METHOD OF PAYMENT

"SEC. 7. (a) The compensation of postmasters and per annum rate employees shall be paid in 26 installments. Each such installment shall be the compensation for a pay period of 2 weeks. The compensation of hourly rate substitute employees and other hourly rate employees shall be computed for each pay period of 2 weeks on the basis of the number of hours of work performed by such employees during such pay period.

"(b) To compute an hourly rate for postmasters and per annum rate employees, the per annum rate shall be divided by 2,080.

"(c) To compute a daily rate for postmasters and per annum rate employees, the hourly rate shall be multiplied by the number of daily hours of service required.

"(d) Subsections (b) and (c) of this section shall not apply to carriers in the rural delivery service. Whenever, for pay computation purposes, it is necessary to convert the basic annual rate of compensation of carriers in the rural delivery service to a basic daily or biweekly rate, the following rules shall govern:

"(1) An annual rate shall be divided by 312 to derive a daily rate.

"(2) A daily rate shall be multiplied by 12 to derive a biweekly rate.

"(e) All rates shall be computed to the nearest cent, counting one-half cent and over as a whole cent.

"(f) When a pay period for any postmaster or employee begins in one fiscal year and ends in another fiscal year, the gross amount of the earnings of such postmaster or employee for such pay period may be regarded as a charge against the appropriation or allotment current at the end of such pay period."

(b) Section 8 of such act of July 6, 1945, as amended, is amended by adding at the end thereof a new subsection (d) to read as follows:

"(d) The salaries of postmasters, assistant postmasters, and supervisors paid under the provisions of this section shall be readjusted at the beginning of the first complete pay period in each fiscal year."

(c) Section 9 (b) of such act of July 6, 1945, as amended, is amended by adding at the end thereof a new sentence to read as follows: "The salaries of superintendents and assistant superintendents of classified stations shall be readjusted at the beginning of the first complete pay period in each fiscal year."

(d) Section 11A of such act of July 6, 1945, as amended, is amended by striking out "and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the top automatic grade" and by inserting in lieu thereof "and shall be promoted successively at the beginning of the first complete pay period following 52 weeks of satisfactory service in each grade to the next higher grade until they reach the top automatic grade."

(e) Section 13 of such act of July 6, 1945, as amended, is amended by adding immediately after subsection (a) thereof a new subsection (b) to read as follows:

"(b) The salaries of employees paid under the provisions of this section shall be readjusted at the beginning of the first complete pay period in each fiscal year."

(f) Section 14 of such act of July 6, 1945, as amended, is amended by adding immediately after subsection (a) thereof a new subsection (b) to read as follows:

"(b) The salaries of employees paid under the provisions of this section shall be readjusted at the beginning of the first complete pay period in each fiscal year."

(g) That part of subsection (1) of section 14 of such act of July 6, 1945, as amended, which precedes the first proviso is amended to read as follows:

"(1) Temporary employees in the custodial service paid on an annual basis shall be paid at the rates of pay of grade 1 of the position in which employed and shall, at the beginning of the first complete pay period following 52 weeks of satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position; and temporary employees in the custodial service paid on an hourly basis shall be paid at the rates of pay of grade 1 of the position in which employed and shall, at the beginning of the first complete pay period following 52 weeks of satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position."

(h) Section 15 (b) of such act of July 6, 1945, as amended, is amended by striking out "and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade until they reach grade 8," and by inserting in lieu thereof "and shall be promoted successively at the beginning of the first complete pay period following 52 weeks of satisfactory service in each grade until they reach grade 8."

(i) That part of section 18 (f) of such act of July 6, 1945, as amended, which precedes the first proviso is amended to read as follows:

"(f) Each temporary employee in the mail equipment shops paid on an annual basis shall be paid at the rate of pay of the lowest grade provided for a regular employee in the same type of position in which such temporary employee is employed, and shall, at the beginning of the first complete pay period following 52 weeks of satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position."

(j) The first section of the act of April 15, 1947 (Public Law 35, 80th Cong.), as amended, is amended by striking out "shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade" and by inserting in lieu thereof "shall be promoted successively at the beginning of the first complete pay period following 52 weeks of satisfactory service in each grade."

(k) All laws or parts of laws inconsistent with the amendments made by this section are hereby repealed or modified to the extent necessary to carry out the purposes of and conform to such amendments.

SEC. 208. (a) (1) There is hereby established a Commission on Postal Field Service Classification (hereinafter referred to as "the Commission") to be composed of (A) the chairman and ranking minority member of the Committee on Post Office and Civil Service of the Senate, (B) the chairman and ranking minority member of the Committee on Post Office and Civil Service of the House of Representatives, (C) the Postmaster General, (D) 2 officers or employees of the Post Office Department to be appointed by the President, and (E) 2 representatives of postal employee organizations to be appointed by the President.

(2) The Postmaster General shall be chairman of the Commission. Vacancies in the membership of the Commission shall not affect the power of the remaining members to execute the functions of the Commission, and shall be filled in the same manner as the original selection. Five of the members of the Commission shall constitute a quorum for the transaction of business.

The Commission shall fix the number of members who shall constitute a quorum for each subcommittee thereof.

(b) The Commission, acting as a whole or by subcommittee, shall conduct or cause to be conducted a thorough investigation and study for the purpose of developing a plan for the establishment of a uniform, integrated, and equitable classification and pay system for all postmasters, officers, employees, and positions in the postal field service.

(c) The Postmaster General is authorized to make available to the Commission such personnel, facilities, and services of the Post Office Department as may be necessary to enable it to perform its functions. The chairman of the Committee on Post Office and Civil Service of the Senate and the chairman of the Committee on Post Office and Civil Service of the House of Representatives are authorized to assign from time to time the members of the staffs of their respective committees to duties and responsibilities in connection with the operation of the Commission.

(d) The Commission shall report to the Senate and the House of Representatives, on or before March 1, 1955, the results of its study and investigation, together with such recommendations (including drafts of legislation to carry out such recommendations) as it deems advisable.

SEC. 209. Section 1310 of the Supplemental Appropriation Act, 1952 (Public Law 253, 82d Cong.), as amended, is hereby repealed.

SEC. 210. This title shall take effect as follows:

(1) Sections 206 and 208 and this section, shall take effect on the date of enactment of this act;

(2) Sections 202, 204, and 205 shall take effect on the first day of the first pay period which begins after the date of enactment of this act;

(3) Sections 203 and 209 shall take effect on the first day of the first calendar month following the calendar month in which this act is enacted; and

(4) Section 207 shall take effect upon such date, not later than 90 days after the date of enactment of this act, as may be designated by the Postmaster General.

AUTHORIZATION TO SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS TO FILE REPORTS DURING RECESS.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senate Permanent Subcommittee on Investigations be permitted to file reports during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION TO INDIVIDUAL MEMBERS OF SPECIAL SUBCOMMITTEE ON INVESTIGATIONS OF THE COMMITTEE ON GOVERNMENT OPERATIONS TO FILE SEPARATE VIEWS

Mr. JOHNSON of Texas. Mr. President, I have a request on behalf of the senior Senator from Arkansas [Mr. McCLELLAN] which reads as follows:

REQUEST BY SENATOR McCLELLAN

In keeping with the unanimous-consent request of April 17, 1954, by the Senator from South Dakota [Mr. MUNDT] that the Special Subcommittee on Investigations of the Committee on Government Operations be authorized to file a report on the so-called Army-McCarthy hearings, which was granted, I ask unanimous consent that the minority

also be authorized to file a report with the Secretary of the Senate during the recess of the Senate, and that individual members may file their separate views with the Secretary of the Senate during the recess of the Senate.

The PRESIDING OFFICER. Is there objection to the request submitted by the minority leader?

Mrs. SMITH of Maine. Mr. President, let me ask the majority leader if the request means that one member of the Special Subcommittee on Investigation may file a report during the recess?

Mr. KNOWLAND. This request was submitted by the Special Subcommittee on Investigation. I assume, when it says "the committee" that the committee has the responsibility. Frankly I cannot go beyond the request itself. I think it is the normal type of request from a committee of the Senate. I assume the committee itself has control over the matter.

Mr. RUSSELL. Mr. President, may we have the request read, so that the Senators may understand the request?

Mr. KNOWLAND. Mr. President, in view of the circumstances I suggest that the request might go over until tomorrow.

The PRESIDING OFFICER. Without objection—

Mr. McCLELLAN. Mr. President, this request by the minority leader on behalf of the special subcommittee is in line with a request which has already been granted for the majority to file its report. I do not think anyone would want to deny an individual member or a minority of the committee the right to file a report if we are to grant that right to the majority. They may all be in the majority, but if there are different points of view Senators certainly should have the right to file them.

Mr. KNOWLAND. Perhaps I misunderstood the situation. The other night the Senator from South Dakota [Mr. MUNDT] submitted a unanimous-consent request on behalf of this committee, which was granted. I assume it related to the so-called Army-Stevens investigating committee.

Mr. McCLELLAN. Yes.

Mr. KNOWLAND. If the Senator's request is to balance that off with a request for authorization to the minority members of the committee to file individual points of view, of course I should not object to such request. I think it is fair and equitable.

My difficulty is that I thought this request related to the full committee and not to that particular hearing. Since I am not in a position now to talk with the chairman of the committee I thought the minority should not have the right to file views when the chairman and the majority did not have the right to file views.

Mr. McCLELLAN. Mr. President, will the majority leader yield?

Mr. KNOWLAND. I yield.

Mr. McCLELLAN. The chairman of the special subcommittee is present. The truth is that when the request was made the other day I was not in the Chamber. Had I been, I would have taken it for granted that the request in-

cluded the right of any minority to file views.

Mr. KNOWLAND. I think that is fair and equitable.

Mr. McCLELLAN. But the Parliamentarian advised that it would not permit minority views to be filed.

Mr. KNOWLAND. I am sure the Senator will not find any objection from this side of the aisle to such a fair and equitable request.

The PRESIDING OFFICER. Is there objection?

Mr. MUNDT. Reserving the right to object—and I certainly shall not object—I merely wish to point out that I was advised by the very capable officials at the desk that the preceding unanimous-consent request, which was in conformity with the unanimous vote of the full committee granting us that request, was sufficiently broad to include expressions of majority views, minority views, and individual views, assuming, of course, that they would all be bound together in the same volume. I should like to inquire—and I have no feeling about it, and I shall not object to any request—whether now, unbeknown to the chairman, my three Democratic colleagues have decided to file a separate report, in a separate volume quite apart from the other one.

Mr. McCLELLAN. The three Democratic members have taken no such position. When I learned that the able Senator's unanimous-consent request would not permit a member of the majority or any two members or any single member to file minority views separately, I thought the situation should be corrected. I did not think anyone would object.

Mr. MUNDT. It was certainly intended that the first request should be sufficiently broad to include expressions of separate views, whether the separate views were those of 7 Members, of 2 Members, or only 1 Member, so long as they were all to be bound in the same volume.

Mr. McCLELLAN. It was intended in that way, I am sure.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that minority members of the Special Subcommittee on Investigations of the Committee on Government Operations be authorized to file with the Secretary of the Senate during the recess of the Senate minority views and individual views on the special Senate investigation of charges and countercharges involving Secretary of the Army Robert T. Stevens, John G. Adams, H. Struve Hensel, the junior Senator from Wisconsin [Mr. McCARTHY] Roy M. Cohn, and Francis P. Carr.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request as voiced by the majority leader? The Chair hears none, and it is so ordered.

ORDER FOR RECESS UNTIL 9:30
O'CLOCK A. M. TOMORROW

Mr. KNOWLAND. Mr. President, pursuant to our prior understanding, I ask unanimous consent that when the Senate concludes its labors this evening,

it take a recess until 9:30 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

FEDERAL FINANCIAL ASSISTANCE TO STATES IN CONSTRUCTION OF PUBLIC SCHOOL FACILITIES

Mr. FERGUSON. Mr. President, with respect to the inquiry of the minority leader and the Senator from Kentucky [Mr. COOPER], the policy committee has placed on the list of measures ready for consideration, Calendar No. 1797, S. 2601, to provide for Federal financial assistance to the States and Territories in the construction of public elementary and secondary school facilities. I hope the bill will be included in the bills that will be taken up tomorrow. The school construction bill was cleared as a bill ready for consideration by the Senate. I ask whether it may be brought up tomorrow.

Mr. KNOWLAND. I will say to the distinguished Senator from Michigan that the bill, along with a number of other bills of some importance, has been placed on the list by the policy committee. I do not know what progress we will make on the pending business and on the business which will come before the Senate tomorrow after the postal pay bill is disposed of and after the Senate has acted on the upper Colorado project bill. We also have the conference report on the social security bill. When inquiry was made the other night, I told Senators that after we have made some progress the policy committee would meet again for the consideration of several requests that had been made, and that I was sure the bill to which the Senator referred and other bills would be given consideration by the policy committee, of which the senior Senator from Michigan is chairman.

I am not able to predict what progress we will make, or give any assurance that we can take up the bill, although personally I am favorably disposed toward it.

Mr. FERGUSON. I realize that, and that is the view of the Senator from Michigan. I am also in favor of the bill and urge that consideration be given to it before the Senate recesses or adjourns.

Mr. COOPER. I should like to say that the bill was reported and has been on the calendar since July 9. I know there is wide support for the bill on this side of the aisle. I do not know of any Senator on this side of the aisle who opposes it.

Mr. JOHNSON of Texas. Some of the Senators on the other side of the aisle have told me that it is a very bad bill and they hoped it would not be brought up.

Mr. COOPER. I should like to know where the objection is.

Mr. JOHNSON of Texas. The Senator will find out when he gets his schedule.

Mr. COOPER. There has been no objection from any Senator on this side; at least as a member of the calendar committee I have not heard of any. It is a very important bill. It is an emer-

gency bill to provide funds for school construction.

Mr. RUSSELL. Is the Senator advocating holding the Senate in session until we are able to get a budget estimate and an appropriation bill to take care of the bill to which he has referred?

Mr. COOPER. No; I am not.

Mr. RUSSELL. Why does the Senator call it an emergency bill if nothing can be done about it before January and if he is not asking for an appropriation?

Mr. COOPER. It is an authorization bill.

Mr. RUSSELL. The Senator said it was an emergency bill.

Mr. COOPER. We do not provide for an emergency situation by postponing a piece of proposed legislation for a month. It would certainly expedite the matter if an authorization bill were passed.

Mr. RUSSELL. Does the Senator think the House committee will report the bill and that the House will pass it? Has the committee of the House reported the bill to the House?

Mr. COOPER. Some members of the appropriate committee of the House have told me that if the Senate would pass the bill—

Mr. RUSSELL. The House has not even held hearings on the bill.

Mr. COOPER. I believe the Senator is wrong in that respect.

Mr. RUSSELL. Has the House committee reported the bill to the House?

Mr. COOPER. I am not certain whether it has or not.

Mr. RUSSELL. My information is it has not.

Mr. COOPER. I believe it has.

Mr. RUSSELL. Unless the Senator wishes to keep the Senate in session for 3 or 4 weeks with the kind of business that is indicated now, we will not be able to pass the bill. We could pass the bill, and then get an estimate and pass an appropriation bill, but it would take some time. Otherwise, there is no chance on earth of passing the bill to take care of what the Senator has described as a very grave emergency.

Mr. COOPER. I will say to the distinguished Senator from Georgia that I think the measure is sufficiently important for us to stay here and pass it.

Mr. RUSSELL. I am perfectly willing to stay here and debate the bill, if the Senator wishes to have it taken up.

Mr. COOPER. I am glad to find out where the opposition comes from.

Mr. RUSSELL. There has been no doubt about my being opposed to the bill. I have stated for 3 days that I am opposed to the bill, and I have objected to the bill. If the Senator has any doubt as to where the objection lies to the bill, he has not been on the floor when I made the objection, apparently.

Mr. COOPER. Yes; I have been on the floor. I am on the Calendar Committee, and I have heard no opposition to the bill.

CIVIL AVIATION LEGISLATION

Mr. BRICKER. Mr. President, on the 11th day of January of this year the distinguished senior Senator from Ne-

vada [Mr. McCARRAN] introduced a civil-aeronautics bill in this session to amend the Civil Aeronautics Act of 1938. The bill, Senate bill 2647, was entirely his work. We held hearings in the Committee on Interstate and Foreign Commerce for many weeks and months on the bill. Many witnesses were heard, and many controversial issues arose. There were some questions as to which there was agreement, but at the last effort, after a draft of a report of the committee had been made, the committee felt it should not report the bill at this time, but should use the hearings as a foundation for an act next year. But the committee did direct me, as its chairman, to report that fact to the Senate and to pay its commendation to the distinguished senior Senator from Nevada for the great amount of work he had done in the matter. He was very desirous that a report be made, and the committee also desired to make a report, but we were not able to get the concurrence of a majority of the committee. There was prepared, and I ask unanimous consent that it be printed in the body of the RECORD at this time as a part of my remarks, a statement on the bill, and a special commendation of the Senator from Nevada for his detailed work on the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BRICKER

By specific direction of the Committee on Interstate and Foreign Commerce I comment briefly concerning a general review of civil aviation legislation conducted this session by your committee, and to advise the Senate of the great assistance rendered us in this task by the distinguished Senator from Nevada, Mr. McCARRAN.

In my experience in the Senate, the action of a standing committee to direct its chairman to advise the Senate of the valuable assistance rendered to it by another Senator, who is not a member of that committee, is without precedent. But in this instance, it is peculiarly appropriate and well-deserved.

On January 11 of this year, the senior Senator from Nevada introduced for the consideration of the Committee on Interstate and Foreign Commerce a complete revision of the Civil Aeronautics Act of 1938. This bill, S. 2647, was the product of Senator McCARRAN's background and continuous study of the developments in aviation since the enactment in 1938 of the Civil Aeronautics Act. In my opinion, S. 2647 represented a monumental piece of legislative drafting which greatly facilitated the committee during the past session in focusing on the key issues concerning aviation which required study and review.

Some idea of the magnitude of the task can be gathered from the fact that the bill comprised 177 pages. It was presented to our committee by the Senator from Nevada with no pride of authorship but rather with the express wish that it be assessed carefully in light of the changing and expanding needs of the aviation industry of this country.

Your committee held extensive hearings on this measure over a period of 4 months extending from April 6 through July 22. The senior Senator from Nevada was the first witness heard by the committee, and I wish that every Member of the Senate could read his statement given at that time, for it is a matchless summary of the progress of the

civil aviation industry under enlightened congressional legislation.

As he suggested, the committee approached Senator McCARRAN's omnibus bill as a working document, and through the months which followed the opening of hearings found it an invaluable vehicle for reviewing the application of Federal laws and regulations to the air transport and general aviation industry.

During the session your committee, in connection with its consideration of the McCARRAN bill, received testimony from every Government department and agency interested in aviation and from representatives from every phase of aviation. The witnesses represented not only the regulated air transport industry but private flyers, charter operators, irregular carriers, specialist freight forwarders, manufacturers, State aviation officials, bar associations, and airport operators. The committee could not have asked for better cooperation than that which it received from these witnesses.

This committee's hearings demonstrated that the original Civil Aeronautics Act of 1938 is basically sound and further demonstrated, in the opinion of your committee, that commercial aviation should best continue to develop as a regulated public utility.

No radical change in the basic organizations of Government agencies concerned with the aviation industry seems to have been indicated by the weight of the testimony offered to our committee.

However, as Senator McCARRAN himself predicted when hearings were launched, several serious gaps in the regulatory scheme and deficiencies in the regulations were revealed. Your committee is convinced there is a real need for some amendatory legislation.

Your committee was eager to report out a bill at this session which would meet these deficiencies. Following the hearings, the staff of the committee made every effort to reduce the original S. 2647 and its 177 pages to an essential minima and to identify the more important and more noncontroversial amendments as presented at the hearings.

Senator McCARRAN, in a final appearance before the committee, urged that a substitute bill be submitted to the Senate, expressing the opinion it would be of considerable assistance to the next Congress and to the Senate Interstate and Foreign Commerce Committee in 1955 when the committee again will consider amendatory legislation in the aviation field.

Accordingly, a committee print was prepared as a substitute bill containing numerous of the amendments to the Civil Aeronautics Act of 1938 originally included in S. 2647.

At an executive meeting of the committee on August 4, your committee considered this substitute bill and the members of your committee discussed it thoroughly and endeavored to report out a revised measure. Unfortunately, so much testimony of a substantive nature was offered during the hearings that it was an impossible job to digest and present this material to the Members for proper consideration in the days remaining before adjournment.

It was at this August 4 meeting that your committee directed its chairman to make this statement to the Senate concerning the assistance rendered by the senior Senator from Nevada. At the same time, Republican and Democratic members of your committee agreed unanimously that the committee would be benefited in the next Congress if a report could be prepared after adjournment to accompany the substitute bill, together with a digest of the voluminous testimony and the individual views of those Senators who attended the hearings during the

months' long hearings as well as a detailed staff analysis of the various proposals.

Accordingly, I ask unanimous consent for permission to file such a report as a Senate document, after the adjournment of the Congress.

In conclusion your committee wishes to pay tribute to the distinguished senior Senator from Nevada and to advise the Senate that your committee appreciates the understanding and direction which he has given to its efforts to rewrite the Civil Aeronautics Act of 1938, and further, that your committee regrets exceedingly that it could not complete this undertaking during this Congress, as so earnestly desired by the distinguished Senator from Nevada.

DEFENSE DEPARTMENT'S INVITATION TO BID ON TANKS

Mr. KEFAUVER. Mr. President, I wish to discuss very briefly a matter of importance in connection with the defense of our country insofar as the production of medium or M-48 tanks is concerned. I particularly wish to invite the attention of the distinguished chairman and members of the Armed Services Committee.

Prior to a couple of years ago our medium tanks were made by four companies, General Motors, Ford, Chrysler, and the American Locomotive Co., at Schenectady, N. Y.

Some time ago, the American Locomotive Co. and the Ford Co. discontinued building tanks, leaving only two companies making our medium tanks. Incidentally, all our light tanks are now being made by General Motors or by one of its subsidiaries, and the medium tanks are being made by Chrysler and General Motors. Then the Defense Department, when it had let contracts in the amount of \$200 million, gave the entire award to General Motors, so that all our medium, heavy, and light tanks are now being made by General Motors.

I protested the action giving the medium-tank contract exclusively to General Motors, pointing out that there should be 2 lines of supply, and that while General Motors had bid \$18 million less than Chrysler's bid, actually the Government would not save any money by putting all its eggs into 1 basket. I pointed out that Chrysler was low on price, low on overhead, and on labor; that the only thing it was high on was parts, and that was due in part to the fact that it had to buy many of its parts from General Motors or one of its subsidiaries, and that General Motors sold to its own subsidiaries for less than it sold to Chrysler.

I also pointed out that instead of having 2 lines of supply, they would have only 1, and that actually the Government would lose money, because it had very valuable property and machinery which would have to be put into mothballs, and it would cost more to put it in and take it out than would be represented by the difference between the bids of General Motors and Chrysler; and that, furthermore, in the event of an attack it would be a very good thing for the Defense Department to have 2 lines of supply.

But the tank contract was given to General Motors for the medium tank, and Chrysler has been in the process of mothballing the Government's property, which it had for the purpose of making medium tanks.

The Government has requested bids on an additional 1,800 medium tanks. I have received information that in considering the bids, those competing with General Motors would have to pay the cost of getting the Government's property out of mothballs, where the Government had fallaciously ordered it placed, and this fact would be considered in connection with the bid. So, in order to confirm the information I had received, I sent a telegram to Mr. A. S. Hudson, the head of the Chrysler Corp.'s tank division, and received this telegram in reply:

DETROIT, MICH., August 19, 1954.

Senator ESTES KEFAUVER,
Senate Office Building:

This is in reply to your telegram of August 19, 1954. Your understanding as expressed in this telegram is correct. Chrysler has been requested to quote separately on (a) price per tank, and (b) cost for reestablishment of our own facility and vendors' facilities. Chrysler has also been requested to furnish a list of any facilities now mothballed that we intend to reopen. If cost of mothballing and demothballing are added to the aggregate price of tanks and the award is based on the lowest total cost to the Government any firm except the one in active production would be placed in a serious competitive disadvantage.

A. S. HUDSON,
Chrysler Corp.

I also wish to read a telegram which I have received from Mr. G. Clymer Brooke, president of the Birdsboro Steel Foundry & Machine Co., Birdsboro, Pa., the producers of hulls and turrets:

BIRDSBORO, PA., August 19, 1954.

Hon. ESTES KEFAUVER,
United States Senate:

We have been asked to bid on cast armor hulls and turrets for 1,800 tanks. We are to bid a price for the castings and a separate price for placing standby facilities in production and reproduction expense. If these expenses are added to the price of the castings our price probably cannot be competitive with manufacturers presently in production.

BIRDSBORO STEEL FOUNDRY & MACHINE
Co.,

G. CLYMER BROOKE, President.

Mr. President, it is not fair to place the Chrysler Co. and its subsidiaries in the position of having to stand the cost of taking Government property out of mothballs in order to make a competitive bid. It was the Government's cancellation of the contracts which required the property to be put into mothballs. It is a very bad situation to have only one tank-producer so that there cannot be any substantial competition. I think the Armed Services Committee should insist that the Government stand its own expense of mothballing its own equipment, so as to allow Chrysler, the American Locomotive Co., or any other company, to bid competitively with General Motors. It is not a good thing for the defense of the country and the production of materials to have only one company in position to manufacture tanks. Competitive bidding under those circumstances would be impossible. It

is a matter which addresses itself particularly to the Armed Services Committee. I hope that committee will look into the problem, and I hope the Defense Department will reconsider the unfair practice it is about to inaugurate, and remove the additional burden of taking the property out of mothballs.

It should also be pointed out that under the renegotiation of defense contracts, they are all considered in the aggregate. General Motors has so many defense contracts that it may have a loss on some item which will be made up through the large profits it makes on other contracts.

It will be very difficult in the future, not only in connection with tanks, but in connection with many other articles, for anyone to compete successfully with General Motors. That would be a catastrophe, I think, for the competitive-bidding theory. It would be a very unwholesome thing for the defense of our country to have only one big company from whom we could get tanks and other items essential to our own defense in a war effort.

PAY INCREASES FOR GOVERNMENT EMPLOYEES, ETC.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there be printed in the body of the RECORD at this point in my remarks the revised amendment which I introduced today and

"Grade	
GS-1.....	\$2,600
GS-2.....	2,850
GS-3.....	3,050
GS-4.....	3,275
GS-5.....	3,600
GS-6.....	4,000
GS-7.....	4,440
GS-8.....	4,800
GS-9.....	5,300
GS-10.....	5,800
GS-11.....	6,350
GS-12.....	7,480
GS-13.....	8,800
GS-14.....	10,040
GS-15.....	11,240
GS-16.....	12,440
GS-17.....	13,440
GS-18.....	14,800

"(c) (1) The compensation schedule for the crafts, protective, and custodial schedule shall be as follows:

"Grade	
CPC-1.....	\$1,910
CPC-2.....	2,520
CPC-3.....	2,652
CPC-4.....	2,850
CPC-5.....	3,074
CPC-6.....	3,300
CPC-7.....	3,600
CPC-8.....	4,000
CPC-9.....	4,400
CPC-10.....	4,800

"(2) Charwomen working part time shall be paid at the rate of \$2,800 per annum, and head charwomen working part time at the rate of \$2,940 per annum."

On page 9, lines 8 and 9, strike out "as provided in this section, he shall continue to receive basic compensation", and insert, "he shall receive a rate of basic compensation at the maximum longevity rate of his grade as provided in this section, or his existing rate, whichever is greater."

On page 9, lines 20 and 21, strike out "as provided in this section, he shall continue to receive basic compensation" and insert "he shall receive a rate of basic compensation at the maximum scheduled rate of his grade as provided in this section, or his existing rate, whichever is greater."

On page 10, line 11, strike out "5 percent" and insert "3½ percent."

which is at the desk, relative to the postal pay bill; and that there also be printed as a part of my remarks certain principal features of the new Federal employees legislation, other than the postal and classified pay bill, which will be under consideration tomorrow, which includes a brief explanation and the estimated cost of the group life insurance, the modification of the Whitten amendment, the incentive-awards program, the repeal of the annual-leave reduction requirement, the extension of longevity-pay increases, the recruitment at salaries above the minimum of the grades, the allowance for uniforms, the abolishment of the CPC schedule, the increase in the number of "super-grade" positions, the so-called fringe benefits under the legislation which has been passed, and the unemployment compensation under which the Federal employees have been able to enjoy the same benefits as those in private industry, with the estimated breakdown of the cost: Group life insurance, \$22 million; the fringe bill, \$70,760,000; plus uniform allowance, \$20 million, or a total of \$112,760,000, exclusive of whatever the Congress does not whatever finally is enacted into law.

There being no objection, the amendment and statement were ordered to be printed in the RECORD, as follows:

On page 7 beginning with line 13, strike out over through line 5 on page 8, and insert the following:

"(b) The compensation schedule for the General Schedule shall be as follows:

		Per annum rates					
		\$2,680	\$2,760	\$2,840	\$2,920	\$3,000	\$3,080
		2,930	3,010	3,090	3,170	3,250	3,330
		3,130	3,210	3,290	3,370	3,450	3,530
		3,355	3,435	3,515	3,595	3,675	3,755
		3,725	3,850	3,975	4,100	4,225	4,350
		4,125	4,250	4,375	4,500	4,625	4,750
		4,525	4,650	4,775	4,900	5,025	5,150
		4,925	5,050	5,175	5,300	5,425	5,550
		5,425	5,550	5,675	5,800	5,925	6,050
		5,925	6,050	6,175	6,300	6,425	6,550
		6,580	6,780	6,980	7,180	7,380	
		7,650	7,880	8,080	8,280	8,480	
		9,000	9,200	9,400	9,600	9,800	
		10,240	10,440	10,640	10,840	11,040	
		11,490	11,740	11,990	12,240		
		12,640	12,840	13,040	13,240		
		13,640	13,840	14,040	14,240		

"(c) (1) The compensation schedule for the crafts, protective, and custodial schedule shall be as follows:

		Per annum rates					
		\$1,970	\$2,030	\$2,090	\$2,150	\$2,210	\$2,270
		2,590	2,660	2,730	2,800	2,870	2,940
		2,732	2,812	2,892	2,972	3,052	3,132
		2,930	3,010	3,090	3,170	3,250	3,330
		3,154	3,234	3,314	3,394	3,474	3,554
		3,380	3,460	3,540	3,620	3,700	3,780
		3,700	3,800	3,900	4,000	4,100	4,200
		4,125	4,250	4,375	4,500	4,625	4,750
		4,625	4,650	4,775	4,900	5,025	5,150
		4,925	5,050	5,175	5,300	5,425	5,550

On page 10, line 13, strike out "\$170 per annum", and insert "\$100 per annum."

On page 11, line 1, strike out "5" and insert "3½."

On page 11, line 12, strike out "\$170" and insert "\$100."

On page 11, line 20, strike out "\$2,160" and insert "\$1,440."

On page 11, line 22, strike out "\$2,400" and insert "\$1,680."

On page 11, line 25, strike out "\$3,120" and insert "\$1,920."

On page 12, line 3, strike out "\$3,180" and insert "\$1,980."

On page 12, line 10, strike out "\$6,180" and insert "\$6,060."

On page 12, line 11, strike out "\$7,620" and insert "\$7,560."

On page 12, line 20, strike out "5" and insert "3½."

On page 12, line 22, strike out "\$170 per annum" and insert "\$100 per annum."

On page 13, line 8, strike out "5" and insert "3½."

On page 14, line 8, strike out "5" and insert "3½."

On page 14, line 10, strike out "\$170 per annum" and insert "\$100 per annum."

On page 14, line 16, strike out "5" and insert "3½."

On page 14, line 18, strike out "\$170" and insert "\$100."

On page 15, strike out lines 10 to 23, inclusive.

Renumber sections 202 to 207, inclusive, as sections 201 to 206, respectively.

On page 23, beginning with line 7, strike out down through line 23 on page 24 and insert the following:

"SEC. 207. (a) The Postmaster General is authorized and directed to make a thorough investigation and study of various methods for the classification of positions and the determination of salaries in the postal field service and all matters relating thereto (including personnel and pay benefits and administration), in order to provide a plan (to be submitted by the Postmaster General to, and to be subject to review by, the Congress, in accordance with the provisions of this section and section 208) for the establishment of a uniform, integrated, and equitable classification and pay system for all postmasters, officers, employees, and positions in the postal field service. Such classification and pay plan for the postal field service shall provide a method for determining the rates of basic compensation which postmasters, officers, and employees shall receive under which—

"(1) the principle of equal pay for substantially equal work shall be followed; and

"(2) variations in rates of basic compensation paid to different postmasters, officers, and employees shall be in proportion to substantial differences in the difficulty, responsibility, and qualification requirements of the work performed and to the contributions of postmasters, officers, and employees to efficiency and economy in the postal field service.

Such plan shall contain compensation schedules which set forth the various grades to which positions in the postal field service are to be allocated and provide the rates of basic compensation, and the ranges of such rates, which are to be applicable to such grades. Such plan also shall contain provisions which—

"(A) grant to personnel in the postal field service the right to obtain appropriate review by the Civil Service Commission of all classifications of their positions;

"(B) prohibit reductions in the rates of basic compensation of personnel on the rolls on the date such plan (or any part thereof) becomes operative, by reason of the institution and operation of such plan (or any part thereof);

"(C) prohibit reductions in rates of basic compensation of any personnel, by reason of any classification actions taken at any time under authority of such plan with respect to the positions occupied by such personnel, so long as such personnel remain in the same positions and are assigned to perform and do perform work of the same level of difficulty, responsibility, and qualification requirements as the work which they are performing in such positions; and

"(D) preserve for personnel in the postal field service on the rolls on the date such plan (or any part thereof) becomes operative the increases in rates or basic compensation provided by this act.

Such plan also may contain provisions and proposals consistent with the purposes of this section as the Postmaster General deems advisable in the light of the need of the Post Office Department, the best interest

of personnel in the postal field service, and the public interest.

(b) In the light of and pursuant to the investigation and study made under subsection (a) and in accordance with the purposes of such subsection, the Postmaster General shall transmit to the Congress, on or before March 15, 1955, a classification and pay plan for the postal field service. Such plan shall be prepared with due regard for the legislative forms and procedures of the Congress and shall be accompanied by an appropriate written explanation of the provisions, objects, purposes, and effects thereof. The delivery of such plan and explanation thereof shall be made to both Houses on the same day.

"(c) Except as may be otherwise provided pursuant to subsection (e) of this section, the provisions of such classification and pay plan for the postal field service shall take effect upon the expiration of the first period of 60 calendar days of continuous session of the Congress, following the date on which such plan is transmitted to the Congress; but only if, between the date of transmittal and the expiration of such period of 60 days there has not been passed by either of the two Houses, by affirmative vote of a majority a quorum being present, a resolution stating in substance that that House does not favor such plan.

"(d) For the purposes of subsection (c) of this section—

(1) continuity of session shall be considered as broken only by an adjournment of the Congress sine die; but

"(2) in the computation of the 60-day period, there shall be excluded the days on which either House is not in session because of an adjournment of more than 3 days to a day certain.

"(e) Any provision of the plan may, under provisions contained in the plan, be made operative at a time later than the date on which the plan shall otherwise take effect.

"(f) If such classification and pay plan becomes effective, such plan shall be printed in the Statutes at Large in the same volume as the public laws and shall be printed in the Federal Register.

"(g) Any increase in rate of basic compensation by reason of the institution and operation of such classification and pay plan for the postal field service shall not be considered as an equivalent increase in compensation within the meaning of section 701 of the Classification Act of 1949, as amended, in the case of postmasters, officers, and employees in the postal field service who transfer or are transferred to positions within the purview of the Classification Act of 1949, as amended.

"SEC. 208. (a) This section is enacted by the Congress:

"(1) As an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it shall be considered as part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in such House in the case of resolutions (as defined in subsection (b) of this section); and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(2) With full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

"(b) As used in this section and section 207, the term 'resolution' means only a resolution of either of the two Houses of Congress, the matter after the resolving clause of which is as follows: "That the----- does not favor the postal field service classification and pay plan transmitted to Congress by the Postmaster General," the blank

space therein being filled with the name of the resolving House.

"(c) All resolutions with respect to the postal field service classification and pay plan shall be referred, by the President of the Senate or the Speaker of the House of Representatives, only to the Committee on Post Office and Civil Service of the Senate or the Committee on Post Office and Civil Service of the House of Representatives, as the case may be.

"(d) If the committee to which has been referred a resolution with respect to such postal field service classification and pay plan has not reported such resolution before the expiration of 10 calendar days after its introduction, it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution, or to discharge the committee from further consideration of any other resolution with respect to such postal field service classification and pay plan which has been referred to the committee.

"(e) Such motion may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the plan), and debate thereon shall be limited to not to exceed 1 hour, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

"(f) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the plan.

"(g) When the committee has reported, or has been discharged from further consideration of a resolution with respect to the plan, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

"(h) Debate on the resolution shall be limited to not to exceed 10 hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(i) All motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to the plan, and all motions to proceed to the consideration of other business, shall be decided without debate.

"(j) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to the plan shall be decided without debate.

"SEC. 209. In the exercise of the authority granted by section 81 of title 2 of the Canal Zone Code, as amended, the Governor of the Canal Zone is authorized to adopt the postal field service classification and pay plan, or any part thereof, made operative pursuant to sections 207 and 208 of this Act, as of the date or dates such plan, or any part thereof, becomes operative, for postal employees of the Canal Zone Government. The Postmaster General shall make available to the Governor of the Canal Zone copies of such matter relating to such plan as may be necessary to carry out the purposes of this

section, including descriptions of positions and rates of compensation provided for therein."

On page 24, beginning with line 24, strike out over through line 2 on page 25.

On page 25, line 4, strike out "206" and insert "205, 207."

On page 25, line 6, strike out "202, 204, and 205" and insert "201, 203, and 204."

On page 25, line 9, strike out "Sections 203 and 209" and insert "Sections 202 and 210."

On page 25, line 12, strike out "207" and insert "206".

On page 25, after line 15, insert the following:

"TITLE III—POSTAL RATES

"FIRST-CLASS MAIL

"SEC. 301. (a) The rates of postage on mail matter of the first class (other than postal cards and private mailing or post cards) shall be as follows:

"(1) 4 cents for the first ounce or fraction thereof, and 3 cents for each additional ounce or fraction thereof, when mailed for delivery at any destination other than the office of mailing;

"(2) 3 cents for each ounce or fraction thereof, when mailed for local delivery at the office of mailing, except as prescribed in paragraph (3) of this subsection; and

"(3) 2 cents for each ounce or fraction thereof, when mailed for local delivery at post offices where free delivery by carrier is not established and when the matter is not collected or delivered by rural or star route carriers.

"(b) In the case of first-class matter mailed without prepayment of any postage or without prepayment of the full amount of postage due, the Postmaster General is authorized to prescribe by regulation the conditions under which such matter shall be delivered to the addressee or returned to the sender. The conditions so prescribed shall be stated in such manner as to permit delivery of such mail to the addressee whenever it is practicable to do so consistent with the collection of the charges prescribed in accordance with subsection (c) of this section.

"(c) The Postmaster General is authorized to prescribe by regulation from time to time the charges to be collected on delivery in the case of any matter of the first class mailed without prepayment of any postage or without prepayment of the full amount of postage due. In determining such charges, the Postmaster General shall take into consideration the postage actually due, and, to the extent practicable, the additional expense incurred by reason of the failure to pay the applicable postage and the desirability of minimizing the incidence of such mailings.

"(d) Regulations issued by the Postmaster General under subsections (b) and (c) shall, to the extent prescribed therein, supersede existing laws, regulations, and orders governing the subject matter covered thereby.

"(e) Section 12 (a) of the act of October 30, 1951 (39 U. S. C. sec. 246f (a)), is amended by inserting before the period at the end thereof a semicolon and the following:

"(9) for returning undeliverable letters and parcels of the first class from the dead-letter office to the senders."

"SECOND-CLASS MAIL

"SEC. 302. (a) Section 2 (a) of the act of October 30, 1951 (39 U. S. C., sec. 289a), is amended by striking out the word 'and' immediately following 'April 1, 1953,' and by inserting before the colon immediately following 'April 1, 1954' a comma and the following: '(4) by an additional 10 percent, based on rates now in force, beginning on April 1, 1955, (5) by an additional 10 percent, based on rates now in force, beginning on April 1, 1956, and (6) by an additional 10 percent, based on rates now in force, beginning on April 1, 1957.' The term 'rates now in force,' as used in the amendments made

by this subsection to section 2 (a) of such act of October 30, 1951, means the rates in force immediately prior to April 1, 1952.

"(b) The rates increased by subsection (a) of this section shall be subject to a minimum charge of one-fourth of 1 cent computed on each individually addressed copy or package of unaddressed copies.

"(c) The rates of postage on copies of publications having second-class entry mailed by others than the publishers or authorized news agents, sample copies mailed by the publishers in excess of the 10 percent allowance entitled to be sent at the pound rates, and copies mailed by the publishers to persons who may not be included in the required legitimate list of subscribers, shall be, in the case of publications weighing 8 ounces or less, the applicable rates now or hereafter prescribed by law on third-class matter, and, in the case of publications weighing in excess of 8 ounces, the applicable rates now or hereafter prescribed or authorized by law on fourth-class matter.

"THIRD-CLASS MAIL

"SEC. 303. (a) The rates of postage on third-class matter shall be 3 cents for the first 2 ounces or fraction thereof, and 1½ cents for each additional ounce or fraction thereof up to and including 8 ounces in weight, except that on matter mailed by religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, the rates shall be as follows:

"(1) 1½ cents for each 2 ounces or fraction thereof on books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants not exceeding 8 ounces in weight; and

"(2) 2 cents for the first 2 ounces or fraction thereof, and 1 cent for each additional ounce or fraction thereof, on all other third-class matter.

"(b) Upon payment of a fee of \$50 for each calendar year or of \$15 for each quarter of a calendar year and under such regulations as the Postmaster General may prescribe for the collection of postage and for facilitating the handling of such matter in the mails, separately addressed identical pieces of third-class matter in quantities of not less than 20 pounds, or of not less than 200 pieces, may be mailed at pound rates of postage applicable to the entire bulk mailed at one time. The rate of postage on third-class matter mailed in bulk under this subsection shall be 16 cents for each pound or fraction thereof with a minimum charge per piece of 1½ cents, except that in the case of books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants the rate shall be 10 cents for each pound or fraction thereof with a minimum charge per piece of 1½ cents. The rate of postage on third-class matter mailed in bulk under this subsection but without individual addresses for delivery under regulations prescribed by the Postmaster General shall be subject to a minimum charge per piece of 2 cents. The rates of postage prescribed by this subsection shall not apply with respect to matter mailed by religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, and the existing rates of postage shall continue to apply with respect to such matter.

"(c) Pieces or packages of third-class mail of such size or form as to prevent ready facing and tying in bundles and requiring individual distributing throughout shall be subject to a minimum charge of 5 cents each.

"CONTROLLED CIRCULATION PUBLICATIONS

"SEC. 304. The rate of postage on the publications defined in section 203 of the act of

July 3, 1948 (39 U. S. C., sec. 291b), when mailed by the publisher and regardless of the weight of individual copies, shall be 11 cents for each pound or fraction thereof, computed on the entire bulk mailed at one time, but not less than 1½ cents per piece, which rate shall remain in effect until otherwise provided by Congress: *Provided*, That the rate of postage on copies of such publications when mailed by other than the publishers, or when forwarded to the addressee or returned to the sender, shall be 3 cents for the first 2 ounces and 1½ cents for each additional ounce.

"DOMESTIC AIR MAIL

"SEC. 305. The rate of postage on domestic air mail as defined in section 2 of the act of August 14, 1946 (39 U. S. C., sec. 462a), weighing 8 ounces or less (except postal cards and private mailing or post cards) shall be 7 cents for each ounce or fraction thereof.

"DETERMINATION OF CLASS OF POST OFFICE AND COMPENSATION OF POSTMASTER AND CERTAIN EMPLOYEES

"SEC. 306. (a) On and after January 1, 1955, 85 percent of the gross postal receipts of all classes of post offices shall be counted for the purpose of determining the class of the post office or the compensation or allowances of postmasters or other employees whose compensation or allowances are based on the annual receipts of such offices. Nothing contained in this subsection shall operate to decrease the compensation or allowances in effect on the effective date of this subsection for postmasters and other employees in the postal field service on such date whose compensation or allowances are based upon the annual receipts of such offices.

"(b) In the case of the post office at Washington, District of Columbia, the Postmaster General may, in his discretion, add to the gross receipts of such office counted for the purposes of subsection (a) of this section not to exceed 75 percent of such gross receipts.

"(c) Notwithstanding any other provision of law, the salaries of postmasters at fourth-class post offices, as fixed by law, shall be deemed and taken to be full compensation for the clerical labor in the issuance of money orders at such offices.

"REPEAL OF EXISTING PROVISIONS OF LAW

"SEC. 307. (a) The following provisions of law are hereby repealed:

"(1) Section 202 (a) (4) of the act of February 28, 1925, as amended by section 4 of the act of May 29, 1928 (39 U. S. C., sec. 283);

"(2) Section 204 of the act of February 28, 1925 (39 U. S. C., sec. 288);

"(3) Section 2 (d) of the act of October 30, 1951 (39 U. S. C., sec. 289a (d)).

"(b) All laws or parts of laws inconsistent with this act are hereby repealed or modified to the extent of such inconsistency.

"APPLICATION TO GUAM

"SEC. 308. This title shall have the same force and effect within Guam as within other possessions of the United States.

"EFFECTIVE DATES

"SEC. 309. This title shall take effect on January 1, 1955, except that section 302 (a) and (b) shall take effect on April 1, 1955.

PRINCIPAL FEATURES OF NEW FEDERAL EMPLOYEE LEGISLATION

GROUP LIFE INSURANCE—COST TO GOVERNMENT, \$22 MILLION

On a voluntary basis, Federal employees are eligible for insurance coverage in amounts based upon their annual salaries carried to the nearest upper thousand. Employees will pay 25 cents per \$1,000 of insurance every biweekly pay period; the Government will contribute an amount equal to one-half of the employee payment. The

law provides double-indemnity payment in case of accidental death and payment to employees for loss of sight or limb. No medical examination is required. Employees who leave the service may convert their insurance at standard rates without physical examination. Insurance will be free for employees who retire on immediate annuity after at least 15 years' service, and for employees retired for disability. Employees will pay no premiums after they reach age 65, but life-insurance protection will be provided after that age. Beginning at age 65 the amount of life insurance is reduced at the rate of 2 percent a month, but the reduction does not exceed 75 percent of the face amount.

MODIFICATION OF THE WHITTEN AMENDMENT

Restrictions on permanent promotions and on permanent reinstatements of former career employees have been removed. The statutory limit on the number of permanent employees in the executive branch is increased 10 percent above the ceiling of September 1, 1950. These modifications will permit the Civil Service Commission to proceed with its new career conditional appointment system and to convert many thousands of present indefinite employees to career status.

INCENTIVE AWARDS PROGRAM

Existing awards programs have been liberalized, made applicable to all employees, and combined for purposes of more aggressive administration. Provision is made for the first time for special awards by the President for exceptionally meritorious service. The Civil Service Commission is responsible for administration of the combined program. Agencies may make awards up to \$5,000. In cases of highly exceptional suggestions, inventions, or superior accomplishments, individual awards may be as much as \$25,000 with approval of the Civil Service Commission.

REPEAL OF ANNUAL LEAVE REDUCTION REQUIREMENT

Employees will no longer be required to reduce accumulations of leave in excess of 30 days. They may maintain the amount of leave they carried over at the beginning of the 1954 leave year. The law also provides that survivors of deceased employees may be paid a lump-sum payment for the employee's accumulated and current annual leave. This provision is retroactive to September 1, 1953.

EXTENSION OF LONGEVITY PAY INCREASES TO GRADES GS-11 THROUGH GS-15—COST, \$1-500,000

Longevity salary-step increases are authorized for employees in grades GS-11 through GS-15. Previously only employees in Grade GS-10 and below were eligible. Longevity step increases may be paid to employees who have been in the same or a higher grade for an aggregate of at least 10 years and who have continuously served the last 3 years at the maximum of their present grade. Three such increases can be earned.

RECRUITMENT AT SALARIES ABOVE THE MINIMUM OF THE GRADE

When employment conditions make it necessary, the Civil Service Commission may authorize appointments to hard-to-fill types of jobs at salary rates above the minimum of the pay grade prescribed by the Classification Act.

ALLOWANCES FOR UNIFORMS

Employees who are required to wear uniforms on the job may be paid an annual allowance up to \$100 a year for purchase of uniforms, if Congress appropriates funds for this purpose—possibly \$20 million.

ABOLISHMENT OF THE CPC SCHEDULE—COST, \$36,500,000

The Crafts, Protective, and Custodial (CPC) Schedule of the Classification Act is abolished, and most of the employees now

in it will be placed under the wage board system and paid on the basis of local prevailing wage rates (which usually are significantly higher). Some of the CPC jobs will be placed in the General Schedule of the Classification Act. No employee whose job is moved to the General Schedule will lose salary, and most will gain slightly. The changes will eliminate present pay inequities and put Government in a better competitive position in recruitment and retention of blue-collar workers.

INCREASE IN THE NUMBER OF "SUPERGRADE" POSITIONS—COST \$260,000

The statutory limit on the number of jobs at the top of the Classification Act ladder—the so-called supergrades—has been increased from 400 to 550. The previous limitation in the Classification Act of 1949 on the number of positions in grades GS-16, 17, and 18 hampered effective administration and created pay inequities among employees, some of whom have been receiving considerably less pay than their work assignments call for.

PREMIUM PAY—COST, \$32,500,000

The fringe benefits bill included provisions relating to several types of premium pay:

Overtime: Time and a half for overtime may now be paid on salaries up to \$5,060, the bottom of Grade GS-9; overtime pay at a flat rate equal to time and a half for the bottom rate of GS-9 may be paid to employees earning annual salaries above that level. Previously, the Federal Employees Pay Act provided a time-and-a-half overtime rate only on salaries up to \$2,980.

Extra pay for special groups: Employees with long tours of standby duty (such as firefighters) may be paid up to 25 percent of their annual base pay rates instead of hourly rates of overtime, night, and holiday pay. Employees whose duties require substantial amounts of unscheduled overtime which cannot be administratively controlled (such as investigators of criminal activities) may receive additional annual pay up to 15 percent of base pay rates.

Call-back pay: A minimum of 2 hours' pay at the overtime rate is provided for any employee called in for overtime work on one of his days off or after having finished a regular day's work.

Tours of duty: A statutory statement of policy on work schedules spells out ground rules for scheduling work of employees by agencies within standard tour-of-duty patterns generally found in private industry. The statement makes clear that agencies can make exceptions to these requirements in those instances where they will be seriously handicapped or where costs will be substantially increased.

UNEMPLOYMENT COMPENSATION

Unemployment compensation benefits, similar to those enjoyed by workers in private industry, have been provided for Federal employees for the first time.

Cost summary

Group life.....	\$22,000,000
Fringe bill.....	70,760,000
Plus uniforms.....	20,000,000
Total.....	112,760,000

SENATOR ROBERT C. HENDRICKSON, OF NEW JERSEY

Mr. JOHNSON of Texas. Mr. President, I was not on the floor earlier this evening when some of my colleagues spoke of our good friend the junior Senator from New Jersey [Mr. HENDRICKSON].

When I say "our good friend," I mean exactly that because BOB HENDRICKSON is a friendly man, a kindly man, the sort

that we all want for a neighbor. He is also an able and courageous man—one who does not fear to speak his convictions whatever may be the consequences.

One of the most rewarding aspects of my Senate service has been the opportunity to know so many different men from so many different parts of the country. I think it is good for all of us to come together on a friendly basis, despite our regional and political differences.

BOB HENDRICKSON is a man who has espoused a political faith that differs from mine. But he is also the kind of man who recognizes that honest men can differ and differ strongly as gentlemen in all good faith.

During our years of service together, I have never known BOB HENDRICKSON to utter a mean word or a nasty word. He is big enough to realize that the interests of the Nation should transcend pettiness and littleness.

BOB HENDRICKSON is a gentleman and a statesman who has performed his duty and lived up to his obligations. He has carried himself with dignity and with courage and has served his country as one who is deeply devoted to America.

I shall always be proud to have BOB HENDRICKSON as a friend, and I wish him well in his future endeavors.

Mr. HENDRICKSON. Mr. President, I shall always be grateful to the minority leader for that fine tribute, even as I am grateful to all my distinguished colleagues who paid me such tributes today. I can only hope that as the years go on I shall be worthy of those tributes. It will be my supreme effort throughout the remainder of my life to justify them in every respect.

I thank my dear friend from Texas, and I shall always remember him as one of the inspiring influences of my life in public office.

Mr. JOHNSON of Texas. Mr. President, I thank the Senator for his gracious and generous statement.

SENATOR EDWIN C. JOHNSON, OF COLORADO

Mr. HENDRICKSON. Mr. President, in a deliberative body so distinguished as is the Senate of the United States, I know of no greater satisfaction that can come to one of its Members than the deep and poignant feeling with which I rise tonight to pay tribute to my colleague, EDWIN C. JOHNSON, of Colorado, who some months ago announced that he would not run for another term, and that he planned to retire at the end of this session.

Perhaps more than anyone in this Chamber, I have a really pertinent reason for taking occasion to express my regard for the superior qualities of this eminent gentleman and legislator.

I say pertinent because I, too, made the practically identical decision and I know precisely what Senator JOHNSON meant when he says in announcing his retirement that it was a resolve he found difficult to make.

Difficult, indeed, not only because the associations of this Chamber, the respect in which Senator JOHNSON is held by all his colleagues here, by his constituents,

especially by his political opponents, but difficult also because of the tremendous need for the solid and discerning leadership men of the stature of Senator JOHNSON are able to give our Nation in an era of continuing crisis.

But there are transcendent considerations, and the dictate of one's family, as I well know, cannot easily be cast aside.

Of course, as I recall he put it, he gave the resolve "prayerful thought" and that profound and earnest approach to decisions he has made is a deeply ingrained characteristic of the man.

If I had to evaluate the facets of Senator JOHNSON's sturdy character to explain how, so many times, he met the high standards of political life—4 terms in the Colorado House of Representatives, the lieutenant-governorship of his State, 2 terms as Governor, and 3 terms as United States Senator—I would say the outstanding facet is reflected in his phrase "prayerful thought."

Mr. President, it is impossible to move to higher and higher office and to repeatedly win the approbation of the people as Senator JOHNSON won it, unless one has the indelible and demonstrated stamp of leadership in the truest and the most enduring sense of the word.

Go through the remarkable record of his service in the Senate and see how his counsel, his judgment, his firmness, his fine spirit of conciliation, has influenced the most historic and the most compelling legislation of the last quarter century.

To me the deeper answer which furnishes us the key to his motivations, to his wisdom, to his dedication to the service of the United States, is to be found in his attitude of invariably giving what he calls "prayerful thought" to the judgments that in his own life, or his country's life, were to make history.

The judgments that he made owe their sagacity, their righteousness, their success, and I believe, the tranquility they afforded him, in this recourse he always had to divine guidance before his vote or his signature was recorded in the crisis of the hour and for posterity.

I like such a man because no single thing that he has done and no catalog of his achievements, however extensive, quite establishes the full worth of his contribution to his country.

That can only be complete when we shall be able to record the influence of his personality along with the rest, the day-by-day influence of unimpeachable integrity, the persuasive force of his sense of justice and fair play, and the hard rock of just rugged character and strength of will.

My praise of Senator JOHNSON has its basis not only in what I observed here in the Senate, or in the fact that the Senator is my across-the-corridor neighbor in the Senate Office Building.

My knowledge of Senator JOHNSON was considerably increased by my observation of him when as chairman of the Senate Committee on Interstate and Foreign Commerce, he played the decisive role in bringing passenger airplane travel back to New Jersey under conditions of assured safety.

My State several years ago was justly aroused by a series of frightful airplane passenger accidents at one of the Nation's major airports in New Jersey.

During the hearings which led to the correction of this situation I sat with Senator JOHNSON, although I was not a member of the committee.

I observed the sure hand, the firm will, the justice—and the country, as well as my own State, took confidence from the leadership he provided.

It was, in the circumstances, statesmanship on the highest plane, and it ended by allaying the fears of the people of my State and in the restoration of much needed airplane travel.

Mr. President, I think we would be wise if we got out a brochure on the life, the character, the achievements, of Senator EDWIN C. JOHNSON, of Colorado, and presented it to every freshman Senator coming into this Chamber as an example to emulate, for he is my conception of the model United States Senator. He sits on the other side of the aisle, but I still say, Mr. President, that he is a model United States Senator. He has honored the Senate, the State which sent him to the Senate he serves so ably, and the country.

I yield the floor.

EQUAL ACCESS TO AMERICAN MARKETS TAX AND TRADE ADJUSTMENTS

DEPLETION ALLOWANCES DUTY ADJUSTMENTS ON THE BASIS OF FAIR AND REASONABLE COMPETITION

Mr. MALONE. Mr. President, the August 4 issue of the New York Journal of Commerce carries a headline which, in effect, is a tribute to the present Congress. The headline reads: "Mineral Development Spurred by Tax Revisions."

The headline is over an informative and important article by John E. Kenton analyzing the construction provisions of the new Internal Revenue Code.

The opening paragraph of this article reads, and I quote:

Development of the Nation's mineral resources will receive a tremendous shot in the arm in the form of tax incentives under the new Internal Revenue Code.

Further on in the article he calls this one of the "three big D's" of our new tax law.

The big D with respect to minerals is, of course, the 23 percent depletion allowances provided in the code for critical and strategic minerals produced in the United States.

The other big D's are, as Mr. Kenton reports: "Dividend relief" which he rightly asserts was the most controversial reform in the new bill, "depreciation," which he says is the most far reaching as well as the most costly change, and "depletion" which, as he puts it, "is the field in which by far the greatest liberalization took place."

The junior Senator from Nevada would suggest that the third also can be the most far reaching in terms of national economy and security, but he has no quarrel with Mr. Kenton's analysis.

Later in his remarks I shall ask unanimous consent to insert Mr. Kenton's en-

tire article in the CONGRESSIONAL RECORD, and to elicit a thorough reading and study of it by my colleagues.

Mr. President, the depletion allowance in the new internal revenue code does give a tremendous shot in the arm to the American mining industry, a shot in the arm that is long overdue, and which, coupled with other constructive action by the Congress, may well save not only the mining industry but the Nation.

Recommendation No. 4 of the Minerals, Materials, and Fuels Economic Subcommittee of the Committee on Interior and Insular Affairs state, and I quote:

We recommend increased depletion allowances to producers of critical minerals and materials as a further incentive to production.

This was truly a "big D" recommendation and it has now been incorporated as part of the new internal revenue code.

In other words, it has been transformed from a subcommittee recommendation into the law of the land.

The junior Senator from Nevada is happy that as chairman of the subcommittee, and as a member of the Senate Finance Committee, concrete action in behalf of our mining industry has been achieved in this session of the Congress.

In my opinion, it will go down in history as one of the notable accomplishments of the present Congress.

The subcommittee, the Minerals, Materials, and Fuels Economic Subcommittee, as we all know, conducted a 10-month investigation of the accessibility of strategic and critical materials to the United States in time of war and for our expanding economy, pursuant to Senate Resolution 143.

Fifty-eight hearings were held on both sides of our continent.

More than 360 expert witnesses, including military and mining authorities testified.

The initial committee report was filed with the Senate on July 9. It included 12 recommendations, of which the recommendation of depletion allowances to producers of critical minerals and materials was No. 4 as I have previously stated, and 14 findings, the latter a condensation of 10 volumes of testimony and data.

Recommendation No. 4, which is now law as a "big D" of the new Internal Revenue Code, was based on these findings.

It is based particularly on findings 1, 2, 3, and 4.

To summarize these findings, they were:

1. The Western Hemisphere can be defended and will be the only dependable source to the United States of critical raw materials in the event of an all-out war.

2. During the last quarter century established procurement policies have dangerously increased our dependence for critical materials on nations across major oceans. Such dependence on distant overseas suppliers must be avoided.

3. Less than 1 percent of the areas of this Nation has been included in geological investigations; only 12.7 percent has been geologically mapped, and 31.1 percent topographically mapped by the United States Geological Survey.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued August 21, 1954

For actions of August 20, 1954

83rd-2nd, No. 163

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Both Houses agreed to conference report on social-security bill. Ready for President. Senate passed Federal pay-raise bill, and House agreed. Ready for President. Sens. Kerr and Anderson requested additional drought relief. Rep. Miller, Kans., spoke in favor of soil conservation on watersheds. Rep. Jones, Mo., criticized USDA action on ASC committeemen's tenure. Rep. Poage criticized administration's farm program. House adjourned sine die; Senate adjourned subject to recall.

SENATE

- 1. SOCIAL SECURITY.** Both Houses agreed to the conference report on H. R. 9366, to amend the Social Security Act (pp. 14628-36, 14532-44). The conferees agreed to extend OASI coverage to farm operators as provided in the House bill; to extend such coverage to employees of all Federal instrumentalities (except home loan banks and TVA) who are not covered by another Federal retirement system; to cover all agricultural workers who are paid at least \$100 in cash wages by one employer in a calendar year, but to exclude individuals performing services in connection with production or harvesting of gum naval stores, and temporary workers who have been lawfully admitted to the U. S. from the Bahamas, Jamaica, and other British West Indies; and to liberalize the benefits to those covered by the program. This bill will now be sent to the President.
- 2. PERSONNEL.** Passed, 69-4, H. R. 7774, with the committee amendment (in the nature of a substitute), which provides for a 5% pay raise for Federal employees (with a minimum of \$170 and a maximum of \$440 and with a provision that salaries of \$14,800 or more shall not be increased), and increases the maximum per-diem allowance (in connection with travel) from \$9 a day to \$12 a day. Agreed to an amendment by Sen. Carlson to strike out the provision regarding the Whitten.

2-
rider, since this subject was covered in the fringe-benefits bill. Rejected, 16-55, a modified amendment by Sen. Knowland to provide a pay raise of 3½% (with a minimum of \$100 and a maximum of \$440) and an increase in postal rates. (pp. 14560-81.)

The House concurred in the Senate version of the bill (pp. 14530-2, 14544-7). This bill will now be sent to the President.

Sen. Johnston urged that Government employees be excused from work in order to attend the American Legion parade (pp. 14685-6).

3. DROUGHT RELIEF... Sen. Kerr criticized the Department's administration of drought relief and charged that it is inadequate. Sen. Anderson suggested some changes in the program. (pp. 14694-700.)

4. SURPLUS PROPERTY... Passed without amendment H. R. 10187, to provide for payment of appraisers', auctioneers', and brokers' fees from the proceeds of disposal of Government surplus real property (p. 14640). This bill will now be sent to the President.

5. RECLAMATION... Continued debate on S. 1555, to authorize the upper Colo. project (pp. 14610, 14615, 14641, 14677-82).

Discussed and, on objection of Sen. Gore, passed over H. R. 5301, to authorize the Interior Department to make loans to privately owned reclamation projects (pp. 14640-1).

Sen. Humphrey inserted the President's statement on signing H. R. 5731, to authorize the Santa Margarita project, Calif. (p. 14583).

6. FARM LABOR... Agreed to the House amendments to S. 2862, to provide relief to the sheep-raising industry by making special nonquota immigration visas available to certain skilled alien sheepherders (pp. 14609-10). The House passed the bill with amendments earlier in the day (pp. 14506-7). This bill will now be sent to the President.

7. SURPLUS COMMODITIES; PUBLIC WORKS. Sen. Clements recommended distribution of surplus agricultural commodities to the unemployed, and the institution of Government public works to relieve unemployment (pp. 14688-92).

8. FARM LOANS; PERSONNEL. Sen. Cooper commended the record of Mr. McLeaish and the Farmers' Home Administration (p. 14700).

9. APPOINTMENTS. Sen. Gore was appointed to the U. S. delegation to Review Section of the General Agreement on Tariffs and Trades, and Sen. Kennedy was appointed to the subcommittee, established pursuant to S. Res. 214, to study the technical assistance and related programs (p. 14646).

10. ADJOURNED "until the fifth day after the Senators are notified to reassemble by the majority and minority leaders..., acting jointly" (pp. 14636, 14708, 14709).

HOUSE

11. ASC COMMITTEES. Rep. Jones, Mo., spoke against any limit on the number of terms of community committeemen and said any such limit would be contrary to the spirit of the farm program bill (p. 14509).

12. SOIL CONSERVATION; FLOOD CONTROL. Rep. Miller, Kans., spoke in favor of soil conservation on watersheds and against large dams for flood control (p. 14530).

Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes; without amendment (Rept. No. 2679). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONAS of Illinois: Committee of Conference. H. R. 7886. A bill for the relief of Mrs. Cecil Norton Broy; without amendment (Rept. No. 2677). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII,

Mr. CURTIS of Massachusetts introduced a bill (H. R. 10286) to amend section 1717 of title 18 of the United States Code, so as to make nonmailable certain defamatory and other matter, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. OLIVER P. BOLTON:

H. R. 10287. A bill for the relief of Kazuko Iwata Rausch; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 10288. A bill for the relief of J. Ross Reed, Jr; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1146. By the SPEAKER: Petition of the President, House of Representatives, Montevideo, Uruguay, petitioning consideration of their resolution with reference to the Guatemalan situation and expressing its solidarity and friendship to cooperate with its sister nation, and so forth; to the Committee on Foreign Affairs.

1147. Also, petition of Henri Bonnet, Ambassador of France to the United States, Washington, D. C., petitioning consideration of their resolution with reference to expressing sincere and heartfelt condolences on the occasion of the death of Representative Paul W. Shafer; to the Committee on House Administration.

Senate

FRIDAY, AUGUST 20, 1954

(Legislative day of Thursday, August 5, 1954)

The Senate met at 9:30 o'clock a. m., on the expiration of the recess.

Dr. Fred H. Heather, Jr., Methodist Commission on Chaplains, Washington, D. C., offered the following prayer:

Let us pray. O God, we love Thee because Thou hast made us Thy children and dost call us to be Thy servants. As we rejoice in the high privilege of belonging to the family of which Thou art the head, so also make us faithful in the completion of the tasks which are given us to perform. Forgive us our sins; and in all things may we have an honest preference to do Thy will. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, August 19, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT ON MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 495)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am transmitting herewith the report on the Mutual Security Program covering operations during the 6-month period ended June 30, 1954, in furtherance of the purpose of the Mutual Security Act of 1951, as amended.

The mutual security programs, as carried out through the Foreign Operations Administration, are effectively advancing the security of the United States and of our cooperating partners in the free world.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, August 20, 1954.

REPORT OF COMPTROLLER OF THE CURRENCY

The PRESIDENT pro tempore laid before the Senate a letter from the Comptroller of the Currency, transmitting, pursuant to law, a report on the activities of the Bureau of the Comptroller of the Currency for the year 1953, which, with the accompanying report, was referred to the Committee on Banking and Currency.

CALL OF THE ROLL

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time consumed in the calling of the roll be charged to neither side.

The PRESIDENT pro tempore. Without objection it is so ordered. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Barrett	Hayden	Pastore
Bridges	Hendrickson	Saltonstall
Carlson	Hennings	Smathers
Clements	Holland	Smith, Maine
Cooper	Johnson, Tex.	Stennis
Duff	Johnston, S. C.	Symington
Ervin	Knowland	Thye
George	Martin	
Green	Maybank	

Mr. SALTONSTALL. I announce that the Senator from Wisconsin [Mr. WILEY], the senior Senator from Michigan [Mr. FERGUSON], the junior Senator from Michigan [Mr. POTTER], and the Senator from New Jersey [Mr. SMITH] are absent by leave of the Senate.

The senior Senator from Indiana [Mr. CAPEHART] and the Senator from Idaho [Mr. WELKER] are absent on official business.

The Senator from Nebraska [Mrs. BOWRING], the Senator from Maryland [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], the junior Senator from Indiana [Mr. JENNER], the Senator from Connecticut [Mr. PURTELL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

The Senator from Texas [Mr. DANIEL], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], and the Senator from North Carolina [Mr. LENNON] are absent on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The PRESIDENT pro tempore. A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. AIKEN, Mr. ANDERSON, Mr. BEALL, Mr. BENNETT, Mr. BRICKER, Mr. BURKE, Mr. BUSH, Mr. CASE,

Mr. CHAVEZ, Mr. CORDON, Mr. CRIPPA, Mr. DIRKSEN, Mr. DWORSHAK, Mr. FREAR, Mr. GORE, Mr. HICKENLOOPER, Mr. HILL, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JOHNSON of Colorado, Mr. KENNEDY, Mr. KERR, Mr. KILGORE, Mr. KUCHEL, Mr. LANGER, Mr. LEHMAN, Mr. LONG, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. McCARRAN, Mr. MCCARTHY, Mr. McCLELLAN, Mr. MILLIKIN, Mr. MONRONEY, Mr. MORSE, Mr. MUNDT, Mr. MURRAY, Mr. NEELY, Mr. PAYNE, Mr. REYNOLDS, Mr. ROBERTSON, Mr. RUSSELL, Mr. SCHOEPPEL, Mr. WATKINS, Mr. WILLIAMS, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDENT pro tempore. A quorum is present.

PAY INCREASE FOR GOVERNMENT EMPLOYEES

The Senate resumed the consideration of the bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I yield to the chairman of the Committee on Post Office and Civil Service, the distinguished Senator from Kansas [Mr. CARLSON], 5 minutes on the bill.

Mr. CARLSON. Mr. President, the bill now before the Senate was reported with the unanimous recommendation of the Committee on Post Office and Civil Service. The committee held hearings on what is regarded as a bill for both the postal and classified employees.

House bill 7774 provides, first, for a 5-percent increase both for postal and classified workers, with a floor, or minimum of \$200 for postal workers, and a minimum of \$170 for classified workers, and a maximum for both of \$440.

The bill is the result of a concerted effort on the part of the committee to secure legislation which will pay postal and classified workers what the committee believes to be a just and realistic increase in wages, one which is based on the increased cost of living, and upon pay increases which have been given in private industry.

It occurs to me, as I think it occurs to other members of the committee, that not only are the proposed salary adjustments or salary increases which the committee has voted fair, but that the workers are entitled to them on the basis of their rights. It was the contention of the committee that the postal workers and classified workers are entitled to salary increases without any other legislation affecting revenue. Either the postal and classified workers are entitled to have pay increases, or they are not. That is one of the issues before the Senate this morning.

The bill not only provides pay increases for the groups of postal and classified employees, but also provides increases for judicial and legislative employees. In fact, the provisions of the classified section of the bill follow the act of 1951; and all the employees who were included in that bill are included in the bill which is now before the Senate.

Furthermore, the bill provides for a Commission to study reclassification in the Post Office Department. I do not think there is a member of the committee, or of the entire Senate, who does not believe there should be a reclassification in the Post Office Department.

Three proposals for reclassification have been before Congress this year. One of the proposals was submitted by the Post Office Department and was made a part of what is known as the Rees bill. Another proposal was submitted in what is known as the Corbett bill. The reclassification section of the Corbett bill is quite similar to the section in the committee approved bill. The Senate Committee on Post Office and Civil Service, after studying both of those proposals, came forward with a different bill. In the Senate committee's proposal for a study of reclassification in the Post Office Department, provision is made for a commission, of which the Postmaster General would be chairman, of which the chairmen and the ranking minority members of both the Senate and the House Committees on Post Office and Civil Service would be members, and the President would be authorized and directed to appoint four other individuals to serve on the commission, two from the Post Office Department and two from employee groups.

The commission is to meet and study the reclassification program, and then to submit a recommendation to Congress by March 15, 1955. I feel confident that when the report is submitted, there will be no question that Congress will approve it. All of us are agreed that reclassification is needed.

That, basically, is a statement of the contents of the bill before the Senate. I think it has been so well discussed, not only in Congress, but also in the press, that everyone understands the issue before the Senate this morning.

I am in a very difficult position. In fact, I am in an embarrassing position. I speak as chairman of the committee submitting a unanimous report. An amendment has been offered which includes some provisions which were not considered when the committee held hearings on the bill.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. JOHNSON of Texas. Did I correctly understand the distinguished Senator to say that the bill before the Senate was reported by the Senate committee by a unanimous vote?

Mr. CARLSON. That is correct.

Mr. JOHNSON of Texas. When was the bill reported?

Mr. CARLSON. It was reported on July 28 of this year.

Mr. JOHNSON of Texas. What is the membership of the Senator's committee?

Mr. CARLSON. There are 13 members of the committee.

Mr. JOHNSON of Texas. Were hearings held on the bill?

Mr. CARLSON. Hearings were held, and the committee heard the representatives of the Post Office Department, the Civil Service Commission, and the various employee groups.

The PRESIDENT pro tempore. The time of the Senator from Kansas has expired.

Mr. JOHNSON of Texas. Mr. President, I wonder if the Senator would charge this 5 minutes to the time which he himself controls on the bill? The Senator controls 1 hour on the bill.

Mr. CARLSON. I shall be very happy to take 5 minutes of the time at this time.

Mr. President, I think the matter is well presented and is before the Senate. I believe we are in a position to defend our bill. I was about to say, frankly, it is not an issue with me whether there should be other amendments to the bill as proposed by the majority leader.

I think the issue is whether the Senate shall operate through the orderly committee procedure, as has been advocated and upheld so many times on the floor of the Senate. Either we are to function as the Senate should function when committees hold hearings and present reports to the Congress, or we had better give up that system and method and revert to legislating entirely from the floor.

Frankly, I do not intend to have that done without expressing my opposition to it, because our committee has been diligent in its work.

I should mention, too, as I stated the other evening, that I think a postal-rate increase is needed. As a matter of fact, in 1951, I supported—indeed, helped write—the proposal which has been submitted by the majority leader and which will be up for discussion later this morning.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CARLSON. I am glad to yield.

Mr. PASTORE. Will the distinguished Senator from Kansas agree with me that a salary increase is needed, regardless of whether there is a postal-rate increase, and a postal-rate increase is needed regardless of whether there is a salary increase, and that the two should not be tied together?

Mr. CARLSON. I agree with the distinguished Senator. It is my position that either the Federal employees, postal and classified, are entitled to a pay increase or they are not, based on the merits, regardless of any other issue.

Mr. PASTORE. By the same token, a postal-rate increase is needed, regardless of whether there is a pay increase.

Mr. CARLSON. The distinguished Senator from Rhode Island is absolutely correct. I think no one knows better the need for a postal-rate increase than the members of our committee. We have gone into the subject thoroughly. There should be a postal-rate increase. The

situation has been such that we have been severely criticized by some for not having acted on a postal-rate increase; but let us lay the cards on the table.

The House Post Office and Civil Service Committee reported to the House a postal-rate increase bill in February of this year. It was referred to the Rules Committee, and was never reported to the House for action. When it did come out as a combination pay increase and rate increase, it was defeated on the floor of the House. That is the situation we have confronting us here today.

Certainly had that bill come over to the Senate early enough in the session, we would not only have held hearings, we would have had the bill on the floor of the Senate for action.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. JOHNSON of Texas. If the experience the other body has had in this matter, as the Senator has just related it, if any guide, if the Senate had sent to the House this bill dealing with rate matters, it seems to me it would have insured its dying and never becoming law. Is that the Senator's opinion?

Mr. CARLSON. Having served in the House for 12 years, I am not certain what they might do if we sent them such legislation. I am not in position to state what they would do, but I could state what they have done in the past, in the last session, on this very matter.

Mr. JOHNSON of Texas. And what they have done in 2 instances would indicate that the House would not look on rate amendments to this bill very favorably.

Mr. CARLSON. I think that is a fair statement.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. JOHNSTON of South Carolina. Is it not true that several members of the committee, after discussing the matter with the chairman of the Post Office and Civil Service Committee, took it up with the House committee and told them we were not going to take up any rate bill until the House had acted on it, and that as soon as they had finished we would go forward with it?

Mr. CARLSON. That is correct. As the distinguished ranking minority member from South Carolina knows, we discussed it in committee, and we agreed unanimously in the committee that we would not consider postal rate legislation until the House had acted. More than that, I think the RECORD should show that the Republican policy committee also adopted a resolution stating that we would not take it up until the House had given consideration to it and passed it. So I think our position is sound, and I am willing to stand on it. It is in the Senate's hands, so far as I am concerned.

Mr. President, I yield back the remainder of my time.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. CARLSON. I am happy to yield.

Mr. THYE. Mr. President, I have made a study of the committee report on the bill, H. R. 7774.

The PRESIDENT pro tempore. The additional 5 minutes have expired.

Mr. CARLSON. I yield myself 3 additional minutes of my own time.

The PRESIDENT pro tempore. The Senator yields himself 3 additional minutes.

Mr. THYE. Mr. President, the bill which is now before the Senate is a very well drafted and very well thought-out piece of proposed legislation. It has been studied at length by the committee. Every detail of the classification and wage increases has been thoroughly studied by the committee. The pay increase of the classified service is \$170 minimum, and \$440 maximum; and the pay increase of the postal workers is \$200 minimum, and \$440 maximum.

Mr. CARLSON. That is correct.

Mr. THYE. I wish to commend the chairman of the committee for having presented to the Senate a very sound piece of proposed legislation relating not only to the postal workers but to the classified workers, and with a change in the grade for the Treasurer of the United States.

There is much in the bill for which the committee and its chairman should be commended.

"Grade"		Per annum rates					
GS-1	\$2,600	\$2,680	\$2,760	\$2,840	\$2,920	\$3,000	\$3,080
GS-2	2,850	2,930	3,010	3,090	3,170	3,250	3,330
GS-3	3,050	3,130	3,210	3,290	3,370	3,450	3,530
GS-4	3,275	3,355	3,435	3,515	3,595	3,675	3,755
GS-5	3,600	3,725	3,850	3,975	4,100	4,225	4,350
GS-6	4,000	4,125	4,250	4,375	4,500	4,625	4,750
GS-7	4,440	4,525	4,650	4,775	4,900	5,025	5,150
GS-8	4,800	4,925	5,050	5,175	5,300	5,425	5,550
GS-9	5,300	5,425	5,550	5,675	5,800	5,925	6,050
GS-10	5,800	5,925	6,050	6,175	6,300	6,425	6,550
GS-11	6,380	6,580	6,780	6,980	7,180	7,380	
GS-12	7,480	7,680	7,880	8,080	8,280	8,480	
GS-13	8,800	9,000	9,200	9,400	9,600	9,800	
GS-14	10,040	10,240	10,440	10,640	10,840	11,040	
GS-15	11,240	11,490	11,740	11,990	12,240		
GS-16	12,440	12,640	12,840	13,040	13,240		
GS-17	13,440	13,640	13,840	14,040	14,240		
GS-18	14,800						

"(c) (1) The compensation schedule for the crafts, protective, and custodial schedule shall be as follows:

"Grade"		Per annum rates					
CPC-1	\$1,910	\$1,970	\$2,030	\$2,090	\$2,150	\$2,210	\$2,270
CPC-2	2,520	2,590	2,660	2,730	2,800	2,870	2,940
CPC-3	2,652	2,732	2,812	2,892	2,972	3,052	3,132
CPC-4	2,850	2,930	3,010	3,090	3,170	3,250	3,330
CPC-5	3,074	3,154	3,234	3,314	3,394	3,474	3,554
CPC-6	3,300	3,380	3,460	3,540	3,620	3,700	3,780
CPC-7	3,600	3,700	3,800	3,900	4,000	4,100	4,200
CPC-8	4,000	4,125	4,250	4,375	4,500	4,625	4,750
CPC-9	4,400	4,525	4,650	4,775	4,900	5,025	5,150
CPC-10	4,800	4,925	5,050	5,175	5,300	5,425	5,550

"(2) Charwomen working part time shall be paid at the rate of \$2,800 per annum, and head charwomen working part time at the rate of \$2,940 per annum."

On page 9, lines 8 and 9, strike out "as provided in this section, he shall continue to receive basic compensation", and insert "he shall receive a rate of basic compensation at the maximum longevity rate of his grade as provided in this section, or his existing rate, whichever is greater."

On page 9, lines 20 and 21, strike out "as provided in this section, he shall continue to receive basic compensation" and insert "he shall receive a rate of basic compensation at the maximum scheduled rate of his grade as provided in this section, or his existing rate, whichever is greater."

On page 10, line 11, strike out "5 percent" and insert "3½ percent."

On page 10, line 13, strike out "\$170 per annum", and insert "\$100 per annum."

I thank the Senator.

Mr. CARLSON. Mr. President, I believe I should state for the RECORD that the cost of the pay increases in the postal service under our proposal is \$101 million. Under the classified service, it is \$212 million. In addition to that, in this bill we have authorization for per diem pay of \$24 million for both the postal and classified workers of the Nation. That makes a total of \$330 million. This is the lowest price pay increase bill which has been before Congress in many years.

The PRESIDENT pro tempore. The bill is open to amendment.

Mr. KNOWLAND. Mr. President, I yield myself 15 minutes on the amendments. I wish to offer the amendments.

The PRESIDENT pro tempore. Does the Senator desire to have the amendments read in full?

Mr. KNOWLAND. No. I think the amendments can be read by title.

The PRESIDENT pro tempore. And printed in the RECORD.

Mr. KNOWLAND. Yes.

The amendments offered by Mr. KNOWLAND are as follows:

On page 7, beginning with line 13, strike out over through line 5, on page 8, and insert the following:

"(b) The compensation schedule for the General Schedule shall be as follows:

"Grade"		Per annum rates					
GS-1	\$2,600	\$2,680	\$2,760	\$2,840	\$2,920	\$3,000	\$3,080
GS-2	2,850	2,930	3,010	3,090	3,170	3,250	3,330
GS-3	3,050	3,130	3,210	3,290	3,370	3,450	3,530
GS-4	3,275	3,355	3,435	3,515	3,595	3,675	3,755
GS-5	3,600	3,725	3,850	3,975	4,100	4,225	4,350
GS-6	4,000	4,125	4,250	4,375	4,500	4,625	4,750
GS-7	4,440	4,525	4,650	4,775	4,900	5,025	5,150
GS-8	4,800	4,925	5,050	5,175	5,300	5,425	5,550
GS-9	5,300	5,425	5,550	5,675	5,800	5,925	6,050
GS-10	5,800	5,925	6,050	6,175	6,300	6,425	6,550
GS-11	6,380	6,580	6,780	6,980	7,180	7,380	
GS-12	7,480	7,680	7,880	8,080	8,280	8,480	
GS-13	8,800	9,000	9,200	9,400	9,600	9,800	
GS-14	10,040	10,240	10,440	10,640	10,840	11,040	
GS-15	11,240	11,490	11,740	11,990	12,240		
GS-16	12,440	12,640	12,840	13,040	13,240		
GS-17	13,440	13,640	13,840	14,040	14,240		
GS-18	14,800						

"(c) (1) The compensation schedule for the crafts, protective, and custodial schedule shall be as follows:

"Grade"		Per annum rates					
CPC-1	\$1,910	\$1,970	\$2,030	\$2,090	\$2,150	\$2,210	\$2,270
CPC-2	2,520	2,590	2,660	2,730	2,800	2,870	2,940
CPC-3	2,652	2,732	2,812	2,892	2,972	3,052	3,132
CPC-4	2,850	2,930	3,010	3,090	3,170	3,250	3,330
CPC-5	3,074	3,154	3,234	3,314	3,394	3,474	3,554
CPC-6	3,300	3,380	3,460	3,540	3,620	3,700	3,780
CPC-7	3,600	3,700	3,800	3,900	4,000	4,100	4,200
CPC-8	4,000	4,125	4,250	4,375	4,500	4,625	4,750
CPC-9	4,400	4,525	4,650	4,775	4,900	5,025	5,150
CPC-10	4,800	4,925	5,050	5,175	5,300	5,425	5,550

On page 11, line 1, strike out "5" and insert "3½."

On page 11, line 12, strike out "\$170" and insert "\$100."

On page 11, line 20, strike out "\$2,160" and insert "\$1,440."

On page 11, line 22, strike out "\$2,400" and insert "\$1,680."

On page 11, line 25, strike out "\$3,120" and insert "\$1,920."

On page 12, line 3, strike out "\$3,180" and insert "\$1,980."

On page 12, line 10, strike out "\$6,180" and insert "\$6,060."

On page 12, line 11, strike out "\$7,620" and insert "\$7,560."

On page 12, line 20, strike out "5" and insert "3½."

On page 12, line 22, strike out "\$170 per annum" and insert "\$100 per annum."

On page 13, line 8, strike out "5" and insert "3½."

On page 14, line 8, strike out "5" and insert "3½."

On page 14, line 10, strike out "\$170 per annum" and insert "\$100 per annum."

On page 14, line 16, strike out "5" and insert "3½."

On page 14, line 18, strike out "\$170" and insert "\$100."

On page 15, strike out lines 10 to 23, inclusive.

Renumber sections 202 to 207, inclusive, as sections 201 to 206, respectively.

On page 23, beginning with line 7, strike out down through line 23, on page 24, and insert the following:

"Sec. 207. (a) The Postmaster General is authorized and directed to make a thorough investigation and study of various methods for the classification of positions and the determination of salaries in the postal field service and all matters relating thereto (including personnel and pay benefits and administration), in order to provide a plan (to be submitted by the Postmaster General to, and to be subject to review by, the Congress, in accordance with the provisions of this section and section 208) for the establishment of a uniform, integrated, and equitable classification and pay system for all postmasters, officers, employees, and positions in the postal field service. Such classification and pay plan for the postal field service shall provide a method for determining the rates of basic compensation which postmasters, officers, and employees shall receive under which—

"(1) the principle of equal pay for substantially equal work shall be followed; and

"(2) variations in rates of basic compensation paid to different postmasters, officers, and employees shall be in proportion to substantial differences in the difficulty, responsibility, and qualification requirements of the work performed and to the contributions of postmasters, officers, and employees to efficiency and economy in the postal field service.

Such plan shall contain compensation schedules which set forth the various grades to which positions in the postal field service are to be allocated and provide the rates of basic compensation, and the ranges of such rates, which are to be applicable to such grades. Such plan also shall contain provisions which—

"(A) grant to personnel in the postal field service the right to obtain appropriate review by the Civil Service Commission of all classifications of their positions;

"(B) prohibit reductions in the rates of basic compensation of personnel on the rolls on the date such plan (or any part thereof) becomes operative, by reason of the institution and operation of such plan (or any part thereof);

"(C) prohibit reductions in rates of basic compensation of any personnel, by reason of any classification actions taken at any time under authority of such plan with respect to the positions occupied by such personnel, so long as such personnel remain in the same positions and are assigned to perform and do perform work of the same level of difficulty, responsibility, and qualification requirements as the work which they were performing in such positions; and

"(D) preserve for personnel in the postal field service on the rolls on the date such plan (or any part thereof) becomes operative the increases in rates of basic compensation provided by this act.

Such plan also may contain such provisions and proposals consistent with the purposes of this section as the Postmaster General deems advisable in the light of the needs of the Post Office Department, the best interests of personnel in the postal field service, and the public interest.

"(b) In the light of and pursuant to the investigation and study made under subsec-

tion (a) and in accordance with the purposes of such subsection, the Postmaster General shall transmit to the Congress, on or before March 15, 1955, a classification and pay plan for the postal field service. Such plan shall be prepared with due regard for the legislative forms and procedures of the Congress and shall be accompanied by an appropriate written explanation of the provisions, objects, purposes, and effects thereof. The delivery of such plan and explanation thereof shall be made to both Houses on the same day.

"(c) Except as may be otherwise provided pursuant to subsection (e) of this section, the provisions of such classification and pay plan for the postal field service shall take effect upon the expiration of the first period of 60 calendar days of continuous session of the Congress, following the date on which such plan is transmitted to the Congress; but only if, between the date of transmittal and the expiration of such period of 60 days there has not been passed by either of the two Houses, by affirmative vote of a majority a quorum being present, a resolution stating in substance that that House does not favor such plan.

"(d) For the purposes of subsection (c) of this section—

"(1) continuity of session shall be considered as broken only by an adjournment of the Congress sine die; but

"(2) in the computation of the 60-day period, there shall be excluded the days on which either House is not in session because of an adjournment of more than 3 days to a day certain.

"(e) Any provision of the plan may, under provisions contained in the plan, be made operative at a time later than the date on which the plan shall otherwise take effect.

"(f) If such classification and pay plan becomes effective such plan shall be printed in the Statutes at Large in the same volume as the public laws and shall be printed in the Federal Register.

"(g) Any increase in rate of basic compensation by reason of the institution and operation of such classification and pay plan for the postal field service shall not be considered as an 'equivalent increase' in compensation within the meaning of section 701 of the Classification Act of 1949, as amended, in the case of postmaster, officers, and employees in the postal field service who transfer or are transferred to positions within the purview of the Classification Act of 1949, as amended.

"SEC. 208. (a) This section is enacted by the Congress:

"(1) As an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such it shall be considered as part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in such House in the case of resolutions (as defined in subsection (b) of this section); and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(2) With full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

"(b) As used in this section and section 207, the term 'resolution' means only a resolution of either of the two Houses of Congress, the matter after the resolving clause of which is as follows: 'That the ----- does not favor the postal field service classification and pay plan transmitted to Congress by the Postmaster General.', the blank space therein being filled with the name of the resolving House.

"(c) All resolutions with respect to the postal field service classification and pay plan shall be referred, by the President of

the Senate or the Speaker of the House of Representatives, only to the Committee on Post Office and Civil Service of the Senate or the Committee on Post Office and Civil Service of the House of Representatives, as the case may be.

"(d) If the committee to which has been referred a resolution with respect to such postal field service classification and pay plan has not reported such resolution before the expiration of 10 calendar days after its introduction, it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution, or to discharge the committee from further consideration of any other resolution with respect to such postal field service classification and pay plan which has been referred to the committee.

"(e) Such motion may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the plan), and debate thereon shall be limited to not to exceed 1 hour, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

"(f) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the plan.

"(g) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to the plan, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

"(h) Debate on the resolution shall be limited to not to exceed 10 hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(i) All motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to the plan, and all motions to proceed to the consideration of other business, shall be decided without debate.

"(j) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to the plan shall be decided without debate.

"SEC. 209. In the exercise of the authority granted by section 81 of title 2 of the Canal Zone Code, as amended, the Governor of the Canal Zone is authorized to adopt the postal field service classification and pay plan, or any part thereof, made operative pursuant to sections 207 and 208 of this act, as of the date or dates such plan, or any part thereof, becomes operative, for postal employees of the Canal Zone Government. The Postmaster General shall make available to the Governor of the Canal Zone copies of such matter relating to such plan as may be necessary to carry out the purposes of this section, including descriptions of positions and rates of compensation provided for therein."

On page 24, beginning with line 24, strike out over through line 2, on page 25.

On page 25, line 4, strike out "Sections 206 and 208" and insert "Sections 205, 207 and 208."

On page 25, line 6, strike out "202, 204, and 205" and insert "201, 203, and 204."

On page 25, line 9, strike out "Sections 203 and 209" and insert "Section 202."

On page 25, line 12, strike out "207" and insert "206."

On page 25, after line 15, insert the following:

"TITLE III—POSTAL RATES

"FIRST-CLASS MAIL

"SEC. 301. (a) The rates of postage on mail matter of the first class (other than postal cards and private mailing or post cards) shall be as follows:

"(1) 4 cents for the first ounce or fraction thereof, and 3 cents for each additional ounce or fraction thereof, when mailed for delivery at any destination other than the office of mailing;

"(2) 3 cents for each ounce or fraction thereof, when mailed for local delivery at the office of mailing, except as prescribed in paragraph (3) of this subsection; and

"(3) 2 cents for each ounce or fraction thereof, when mailed for local delivery at post offices where free delivery by carrier is not established and when the matter is not collected or delivered by rural or star route carriers.

"(b) In the case of first-class matter mailed without prepayment of any postage or without prepayment of the full amount of postage due, the Postmaster General is authorized to prescribe by regulation the conditions under which such matter shall be delivered to the addressee or returned to the sender. The conditions so prescribed shall be stated in such manner as to permit delivery of such mail to the addressee whenever it is practicable to do so consistent with the collection of the charges prescribed in accordance with subsection (c) of this section.

"(c) The Postmaster General is authorized to prescribe by regulation from time to time the charges to be collected on delivery in the case of any matter of the first class mailed without prepayment of any postage or without prepayment of the full amount of postage due. In determining such charges, the Postmaster General shall take into consideration the postage actually due, and, to the extent practicable, the additional expense incurred by reason of the failure to pay the applicable postage and the desirability of minimizing the incidence of such mailings.

"(d) Regulations issued by the Postmaster General under subsections (b) and (c) shall, to the extent prescribed therein, supersede existing laws, regulations, and orders governing the subject matter covered thereby.

"(e) Section 12 (a) of the act of October 30, 1951 (39 U. S. C. sec. 246f (a)), is amended by inserting before the period at the end thereof a semicolon and the following:

"(9) for returning undeliverable letters and parcels of the first class from the dead-letter office to the senders."

"SECOND-CLASS MAIL

"SEC. 302. (a) Section 2 (a) of the act of October 30, 1951 (39 U. S. C., sec. 289a), is amended by striking out the word 'and' immediately following 'April 1, 1953,' and by inserting before the colon immediately following 'April 1, 1954' a comma and the following: '(4) by an additional 10 percent, based on rates now in force, beginning on April 1, 1955, (5) by an additional 10 percent, based on rates now in force, beginning on April 1, 1956, and (6) by an additional 10 percent, based on rates now in force, beginning on April 1, 1957.' The term 'rates now in force,' as used in the amendments made by this subsection to section 2 (a) of such act of October 30, 1951, means the rates in force immediately prior to April 1, 1952.

"(b) The rates increased by subsection (a) of this section shall be subject to a mini-

imum charge of one-fourth of 1 cent computed on each individually addressed copy or package of unaddressed copies.

"(c) The rates of postage on copies of publications having second-class entry mailed by others than the publishers or authorized news agents, sample copies mailed by the publishers in excess of the 10 percent allowance entitled to be sent at the pound rates, and copies mailed by the publishers to persons who may not be included in the required legitimate list of subscribers, shall be, in the case of publications weighing 8 ounces or less, the applicable rates now or hereafter prescribed by law on third-class matter, and, in the case of publications weighing in excess of 8 ounces, the applicable rates now or hereafter prescribed or authorized by law on fourth-class matter.

"THIRD-CLASS MAIL

"SEC. 303. (a) The rates of postage on third-class matter shall be 3 cents for the first 2 ounces or fraction thereof, and 1½ cents for each additional ounce or fraction thereof up to and including 8 ounces in weight, except that on matter mailed by religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, the rates shall be as follows:

"(1) 1½ cents for each 2 ounces or fraction thereof on books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants not exceeding 8 ounces in weight; and

"(2) 2 cents for the first 2 ounces or fraction thereof and 1 cent for each additional ounce or fraction thereof, on all other third-class matter.

"(b) Upon payment of a fee of \$50 for each calendar year or of \$15 for each quarter of a calendar year and under such regulations as the Postmaster General may prescribe for the collection of postage and for facilitating the handling of such matter in the mails, separately addressed identical pieces of third-class matter in quantities of not less than 20 pounds, or of not less than 200 pieces, may be mailed at pound rates of postage applicable to the entire bulk mailed at one time. The rate of postage on third-class matter mailed in bulk under this subsection shall be 16 cents for each pound or fraction thereof with a minimum charge per piece of 1½ cents, except that in the case of books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants the rate shall be 10 cents for each pound or fraction thereof with a minimum charge per piece of 1½ cents. The rate of postage on third-class matter mailed in bulk under this subsection but without individual addresses for delivery under regulations prescribed by the Postmaster General shall be subject to a minimum charge per piece of 2 cents. The rates of postage prescribed by this subsection shall not apply with respect to matter mailed by religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, and the existing rates of postage shall continue to apply with respect to such matter.

"(c) Pieces or packages of third-class mail of such size or form as to prevent ready facing and tying in bundles and requiring individual distributing throughout shall be subject to a minimum charge of 5 cents each.

"CONTROLLED CIRCULATION PUBLICATIONS

"SEC. 304. The rate of postage on the publications defined in section 203 of the act of July 3, 1948 (39 U. S. C., sec. 291b), when mailed by the publisher and regardless of the weight of individual copies, shall be 11 cents for each pound or fraction thereof,

computed on the entire bulk mailed at one time, but not less than 1½ cents per piece, which rate shall remain in effect until otherwise provided by Congress: *Provided*, That the rate of postage on copies of such publications when mailed by other than the publishers, or when forwarded to the addressee or returned to the sender, shall be 3 cents for the first 2 ounces and 1½ cents for each additional ounce.

"DOMESTIC AIR MAIL

"SEC. 305. The rate of postage on domestic air mail as defined in section 2 of the act of August 14, 1946 (39 U. S. C., sec. 462a), weighing 8 ounces or less (except postal cards and private mailing or post cards) shall be 7 cents for each ounce or fraction thereof.

"DETERMINATION OF CLASS OF POST OFFICE AND COMPENSATION OF POSTMASTER AND CERTAIN EMPLOYEES

"SEC. 306. (a) On and after January 1, 1955, 85 percent of the gross postal receipts of all classes of post offices shall be counted for the purpose of determining the class of the post office or the compensation or allowances of postmasters or other employees whose compensation or allowances are based on the annual receipts of such offices. Nothing contained in this subsection shall operate to decrease the compensation or allowances in effect on the effective date of this subsection for postmasters and other employees in the postal field service on such date whose compensation or allowances are based upon the annual receipts of such offices.

"(b) In the case of the post office at Washington, District of Columbia, the Postmaster General may, in his discretion, add to the gross receipts of such office counted for the purposes of subsection (a) of this section not to exceed 75 percent of such gross receipts.

"(c) Notwithstanding any other provision of law, the salaries of postmasters at fourth-class post offices, as fixed by law, shall be deemed and taken to be full compensation for the clerical labor in the issuance of money orders at such offices.

"REPEAL OF EXISTING PROVISIONS OF LAW

"SEC. 307. (a) The following provisions of law are hereby repealed:

"(1) Section 202 (a) (4) of the act of February 28, 1925, as amended by section 4 of the act of May 29, 1928 (39 U. S. C., sec. 283);

"(2) Section 204 of the act of February 28, 1925 (39 U. S. C., sec. 288);

"(3) Section 2 (d) of the act of October 30, 1951 (39 U. S. C., sec. 289a (d)).

"(b) All laws or parts of laws inconsistent with this act are hereby repealed or modified to the extent of such inconsistency.

"APPLICATION TO GUAM

"SEC. 308. This title shall have the same force and effect within Guam as within other possessions of the United States.

"EFFECTIVE DATES

"SEC. 309. This title shall take effect on January 1, 1955, except that section 302 (a) and (b) shall take effect on April 1, 1955."

Mr. KNOWLAND. Mr. President, the question before the Senate is the amendments which I have offered to the bill reported by the Post Office and Civil Service Committee.

First, I want to say to the Senate that I think this body owes a debt of gratitude to the committee, and to the other committees of the Senate, for the very hard work they have devoted to this bill. I think anyone who occupies a position of responsibility such as I do as majority leader of the Senate, has a very keen appreciation of the problems not only

of the committee chairmen and committee members of the majority, but the responsibilities of the committee members representing the minority.

I also wish to pay my tribute to the junior Senator from South Carolina [Mr. JOHNSTON] for the service he has rendered, formerly as chairman of the committee, and now as the ranking Democrat.

There is nothing in what I shall say today which implies any criticism of the diligence and hard work of that committee, which so ably represents the Senate.

It seems to me, Mr. President and Members of the Senate, that we have a very practical problem facing us in the proposal now under consideration. There are approximately 1,700,000 employees involved, both in the postal service and in the classified service. There may well be an honest difference of opinion as to what the precise rate of pay increase should be, and men and women, whether they be in public life or in private life, always have a slight difference of opinion as to whether they are being paid a rate of pay commensurate with the responsibilities they assume, and whether or not in Government the salaries received are commensurate with the compensation of those who bear like responsibilities and occupy similar positions in private employment. It is such honest differences of opinion which, around the bargaining table, make for differences between management and employees, whether in private business or in government.

It seems to me that anyone who has served in the Government of the United States, as all of us do, has a very keen appreciation of the day-by-day faithful service given not only by the postal employees, but also by the great group of Government employees who loyally, and perhaps without proper recognition of the responsibilities they carry, conduct the great affairs of the Federal Government.

First of all, Mr. President, I wish to place in the RECORD, as a part of my remarks, the figures from the Bureau of Labor Statistics, the official Government agency, on the consumer-price index since 1952. In 1952, the average was 113.5. In 1953, the average was 114.4. In 1954, in January, it was 115.2; in February, 115; in March, 114.8; in April, 114.6; in May, 115. This is a rise of 1.5 points from the 1952 average, and represents a percentage increase of 1.3.

In regard to this measure, the administration has made its position clear from the beginning: It also feels that the classified service and the postal employees are entitled to a pay increase; but it likewise believes that proper consideration must be given to the problems facing the Federal Government in fiscal affairs, inasmuch as we are still operating on a deficit, and inasmuch as the national debt is now bumping against the ceiling. Furthermore, only recently the Congress, as a temporary expedient, authorized a temporary increase in the borrowing power to the extent of \$6 billion, brought about by the fact that the tax revenues do not come in on an equal basis, month

by month, but, because of the so-called Mills plan, there are peaks of revenue at certain months of the year, and then valleys, and then peaks again. So Congress recently authorized that there might be temporarily borrowed from the future taxes, so to speak—as a merchant would go to a bank and obtain a short-term loan—\$6 billion, which would bring the debt above the present debt limit, provided that from the anticipated revenues, that increase is paid back by next January 30.

Mr. President, these facts cannot be ignored. The administration has felt it would be prepared to approve a pay increase for both the classified workers and the postal workers, provided offsetting revenues were taken care of in the proposed legislation.

I take it that the Senate and the House of Representatives and, I take it, when they know the facts, the great body of employees, both in the postal service and in the classified service, want the pay increase and do not want merely an empty gesture which actually will amount to no increase.

In an effort to bring about an actual pay increase to the Government employees, I have offered two amendments—the first one, the other day; and the modification I have presented today. I have urged the responsible members of the executive department to see if they could work toward an area of agreement which would result in a bill the President could sign, a bill which could become law, a bill by means of which the postal workers could obtain their pay increase and the classified workers could obtain their pay increase. It is my opinion that the amendments I present today will put the bill in that shape, and that it will then be approved. It is my judgment, at least, that a bill which does not contain provision for compensating revenues will not become the law of the land.

Mr. President, what are the facts regarding the postal rates? The first-class postage on letters is the same today as it was in 1932, 22 years ago.

Mr. LONG. Mr. President, will the Senator from California yield for a question?

Mr. KNOWLAND. Mr. President, I hope the Senator from Louisiana will not interrupt me now, for I have only a limited amount of time. After I have made my presentation, I shall be glad to yield.

Mr. LONG. Very well.

Mr. KNOWLAND. In the meantime there have been five general wage increases, and another one is under consideration. The rate on all postal costs has risen 100 percent during that period of time. If the letter rate was fair in 1932, it is obviously too low now. The rate on postal cards was increased from 1 cent to 2 cents in 1952.

In 1951, just 2 years ago, the Senate passed Senate bill 1046, approving an increase from 3 cents to 4 cents on the first ounce of first-class mail. I have before me a copy of that bill, as passed by the Senate. I am frank to admit that under normal circumstances it is perfectly reasonable for Senators to take the position on the floor of the Senate that in regard to a matter such as a postal-rate increase, which has a great

effect on the users of mail throughout the United States, there should be hearings on such a bill; and I am also perfectly frank to admit, because the record shows that the distinguished chairman of the committee has so stated, that at this session of Congress there has been no hearing, insofar as the Senate is concerned, with regard to a postal-rate increase.

But in my hand I hold a copy of Senate bill 1046, which was passed by the Senate on September 7, 1951. That bill provided that the rate of postage on all first-class mail matter should be 4 cents for the first ounce or fraction thereof, and 3 cents for each additional ounce. That bill was reported to the Senate by the distinguished and able senior Senator from South Carolina [Mr. JOHNSTON], as shown in report No. 694, accompanying Senate bill 1046; and printed copies of the hearings before that committee, which were extensive, are available to Members of the Senate.

Of course it is true that in all cases, and perhaps under most circumstances, we would not rely upon hearings and a report which were 2 years old. However, the fact of the matter is, as I have pointed out, that over a period of years, while there have been four pay increases, there has not been one increase in the first-class postage rate. It is also true that under the Democratic administration, on the recommendation of the Postmaster General, and on a very strong letter from the then President, relative to the importance of increasing postal rates, the party on the other side of the aisle—and I say this in no criticism, because I think they were justified in the action they took—recommended to this body certain increases in the postal rates, only a part of which finally came out of the conference committee, because in addition to this body having passed a bill calling for a 1-cent increase in the first-class rates, 2 years ago the Senate raised the figures recommended by the Committee on Post Office and Civil Service, in the second-class field from percentages of 10, 10 and 10, to percentages of 20, 20 and 20. When the bill went to conference between the Senate and the House, the conferees struck out the 1-cent increase, and reduced the increase on the second class to percentages of 10, 10 and 10.

The amendments, as presented—and that is all I am talking about for the moment—insofar as they relate to rate increases, make the provisions of this bill, the so-called Carlson bill or the modification of the Carlson bill as placed in the House bill by way of amendment, the House bill being used as a vehicle, comport substantially with the rates which the Senate affirmatively acted on 2 years ago. So much for the rate situation.

Mr. President, some criticisms of the proposed rate increases were made the other day in addition to the criticism that there had been no hearings at this session of the Congress. I think the distinguished and able Senator from Rhode Island [Mr. PASTORE]—who, while a newer Member of our body, has shown a keen interest in the problems of government and, on the committees on

which he serves, has taken a very diligent and forthright interest in the problems of the Government—pointed out what to me seemed to be a valid criticism of the original amendment I had submitted, insofar as it affected the classified service. The Senator's criticism was that the original administration proposal, which was a perfectly acceptable proposal as it came from the Committee on Post Office and Civil Service—namely, an average 5 percent increase for the postal employees, with a minimum increase of \$200 regardless of how the 5 percent would work out, and a ceiling on the increase of \$450—was not affected by the amendment which I presented. In the classified service, as I understand the amendment presented by the distinguished chairman of the committee, it is provided that there shall be a floor of \$170 and the same ceiling as provided for postal employees, which is \$440.

The PRESIDENT pro tempore. The time of the Senator from California has expired.

Mr. KNOWLAND. I yield myself 10 minutes additional on the amendment.

The PRESIDENT pro tempore. The Senator yields himself 10 minutes additional.

Mr. KNOWLAND. In the amendment I presented originally there was not a floor, and there was not the same ceiling that applied in the case of postal workers. I feel that was subject to valid objection. I was quite impressed by the arguments made by the Senator from Rhode Island [Mr. PASTORE] and other Senators relative to that feature of the amendment.

Again trying to find an area of agreement, so that instead of merely making an empty gesture to 1,700,000 employees, both postal and classified, we might pass a bill which would put the increase into their pockets, rather than to pass a bill which was not likely to become law at this session of Congress, I began consultations to see if we could develop an area of agreement.

The amendments which I presented yesterday, which are now before the Senate, establish a floor of \$100 for all classified workers—in other words, that would be a minimum increase they would get—and instead of the maximum being \$800, which it would have been, which was a considerably higher ceiling than the \$450 the postal workers were to receive, the amendments now establish the same ceiling of \$440 on the classified service, as well as the postal service.

Mr. President, it seems to me, under the circumstances I have outlined, that these are reasonable amendments. If these amendments are added, the bill, so far as the revenues are concerned, will be in approximately the same shape as the bill which passed the Senate 2 years ago.

Mr. PASTORE. Mr. President, will the Senator yield on that point?

Mr. KNOWLAND. I will yield briefly, but the Senator knows my time is limited.

Mr. PASTORE. I realize that; but I think that particular point needs some clarification.

Mr. KNOWLAND. I should be glad to have the matter clarified. If I have mis-

stated the situation, I hope the Senator will assist me in presenting the facts.

Mr. PASTORE. The argument the Senator is making is that we are actually restoring in these amendments what we agreed to in the conference in 1951, which is not a proper statement of the facts.

Mr. KNOWLAND. I shall be glad to have the facts made clear.

Mr. PASTORE. In 1951 we proposed to raise the first-class mail rate to 4 cents regardless of where the letter emanated or what the destination might be; whereas these amendments specify that if the destination is within the city limits the rate shall remain at 3 cents, and if it is beyond the city limits the rate shall be 4 cents. That is a decided change. If a letter is mailed from Washington, D. C. to Bethesda it will cost 3 cents, but if a letter is mailed from Washington to Alexandria it will cost 4 cents, although the distance is the same. I do not see the logic of such a situation.

Mr. KNOWLAND. That is not an unusual situation. We have had differences in rates on local mailings and other mailings heretofore. It may be something which the Senate or the Senate committee at the next session may desire to correct. I do not believe anyone can be dogmatic in saying whether it is equitable to have a different rate on local mailings, compared to more distant mailings, for first-class mail. I think a case can be made one way or the other. We will always find certain inequities, as the Senator knows, in specific situations.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. PASTORE. The only point I desired to make was that what the Senator is now proposing is not exactly what we considered in the conference. The Senator's idea is entirely different. The argument the Senator from California has made this morning is that he is proposing now no more than the committee decided and voted upon in 1951; and that is not the case.

Mr. KNOWLAND. While the distinguished Senator from Rhode Island may very well be correct in saying it is not precisely the same, yet substantially it is the same; and it does, in fact, provide additional revenues to the Federal Government, which I think are essential if we are to have a pay bill enacted into law.

Mr. President, I think we should view this proposal in a fair and equitable manner. We should look at the practical realities of the problem we face. I think that the amendments which I have offered, while they will not meet all of the requests of all the employees, at least go a substantial distance in making some of the adjustments.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. The Senator discusses the practical problem. Does the Senator from California seriously think his amendments should be adopted, and if by chance the Senate should pass the bill as amended, the

House of Representatives, in the light of its two previous actions, would give any attention to it whatever?

Mr. KNOWLAND. I have been proceeding in complete good faith in this matter.

Mr. JOHNSON of Texas. The Senator always proceeds in good faith. We know that.

Mr. KNOWLAND. I wish to say to the Senator from Texas my belief is that if the bill should be amended and passed by the Senate it could be passed by the House. I hope it will be passed by the House and go to the President for his signature.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. Does the Senator realize that the House, when an attempt was made a few days ago to have a bill similar to this bill passed, refused to do so?

Mr. KNOWLAND. The House refused to suspend the rule, as I recall, which would have required a two-thirds vote.

Mr. JOHNSON of Texas. The sentiment was so strong for the pay bill that the Members went up to the desk and signed a petition.

Mr. KNOWLAND. Yes.

Mr. JOHNSON of Texas. And in effect they overrode the leadership by bringing the pay bill to the floor; did they not?

Mr. KNOWLAND. Yes. But let me say to the distinguished Senator, in all fairness, I think that all the postal employees may not have been advised as to the very strong feeling in the administration that there should have been compensating revenues.

It seems to me the bill as proposed to be amended would provide for a substantial pay raise. Through the changes that I have suggested today, the average raise to the postal workers would be 5 percent, as in the Carlson bill; the floor would be the \$200 of the Carlson bill; the ceiling would be the \$450 of the Carlson bill. In the case of classified civil-service workers, the floor would be \$100; the average would be approximately 4½ percent; and the ceiling would be the same as the postal workers would receive under the postal bill, \$440. Therefore, there would be a different situation. I think the amendments put the bill into a more acceptable form.

While we have no right to discuss what the other body will do, or how it will do it, I think that if this type of proposal had been presented, which would have provided comparable ceilings, and at least set a minimum so far as the classified service is concerned, the Members of the House might have felt differently. Of course, that is a moot question, which none of us can answer.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. Whatever the floor might be and whatever the ceiling might be, I think the result would be the death of this proposed legislation.

Mr. KNOWLAND. First, I respectfully differ with the distinguished Senator. Second, in my judgment, there

will not be a bill finally enacted into law which does not contain provision for some compensating revenues. I am trying, to the best of my ability, to present what seems to be a reasonable proposal, which does not do violence to the action which the Senate has previously taken in regard to first-class rates and in regard to second-class rates. It is nothing which comes to the Senate de novo, with Senators not having had an opportunity to study it. In 1951, slightly more than 2 years ago, the Senate had an opportunity to pass on the question of postal rates.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. LONG. I believe the Senator is aware of the fact that the junior Senator from Louisiana has always voted to increase second- and third-class postal rates. I have always felt that those enjoying those rates are far too greatly subsidized. As a matter of fact, several years ago the junior Senator from Louisiana offered amendments to the committee bill to further increase postal rates.

Mr. KNOWLAND. I believe it was the Senator's amendment that increased the rates percentagewise 10-10-10, while the committee had reported an increase of 20-20-20. The bill went to conference, and the conferees returned with the 10-10-10 figure. The recommendations in the amendments I have offered would bring it back to 20-20-20 by adding the 10-10-10 figure on the second-class rate.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. KNOWLAND. I yield myself an additional minute. I ask unanimous consent to have printed in the RECORD at this point in my remarks figures showing the number of employees in the classified civil service in each of the classifications, and what the \$100 minimum amount for each grade would amount to in the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

	Population	Amount in administration bill 3½ percent plus	Administration bill plus minimum of \$100	
			Amount for each grade	Additional cost
CPC-1.....	61,756	None	\$100	\$6,175,600
CPC-2.....				
CPC-3.....				
CPC-4.....				
CPC-5.....	12,393	\$26	100	917,600
CPC-6.....	20,251	50	100	1,000,000
CPC-7.....	12,015	165		
GS-1.....	7,924	None	100	792,400
GS-2.....	106,842	None	100	10,684,200
GS-3.....	193,237	50	100	9,660,000
GS-4.....	137,710	75	100	3,442,500
GS-5.....	96,193	190		
GS-7.....	96,730	195		
GS-8.....	21,585	180		
Total.....				32,672,300
				4,000,000
				28,000,000

Mr. LONG. Mr. President, will the Senator yield me 1 minute?

Mr. KNOWLAND. I yield 1 minute.

Mr. LONG. I should like to say to the distinguished majority leader that what particularly concerns me about this bill, frankly, is that I should like to increase the second- and third-class rates. I have always felt that they are too low, and that it is an outrage that the taxpayer should have to make up the loss in the second- and third-class mail rates.

However, I point out that article I, of the Constitution, section 7, provides:

All bills for raising revenue shall originate in the House of Representatives, but the Senate may propose or concur with amendments as on other bills.

To me that means that a revenue bill must originate in the House. The bill on which the junior Senator from Louisiana offered his amendment to increase the postal rates was a revenue bill which had originated in the House. It came to the Senate. The Senate considered the Senate bill, and substituted the House bill for it. Then we sent the House bill back to the House.

If a bill is not a revenue bill when it is introduced, we have no right to make it a revenue bill in the Senate. To do so would be to violate article I, section 7, of the Constitution.

Mr. KNOWLAND. I do not consider this bill to be a revenue bill in the sense of being a tax bill. It is true that tax bills must originate in the House. I know that in the field of appropriations the House feels that it should originate appropriation bills. However, I know of no constitutional provision which provides for it, although it has been the usage.

Mr. JOHNSON of Texas. Mr. President, I yield 2 minutes on the bill to the Senator from Louisiana [Mr. LONG].

Mr. LONG. Mr. President, the junior Senator from Louisiana has had some slight experience with the subject of revenue bills originating in the House. The Constitution requires that a revenue bill originate in the House of Representatives.

It is my interpretation—and I believe it is the correct interpretation—that the Constitution, when it states that revenue bills must originate in the House, refers to a revenue bill when it is introduced.

I would point out to the Senate that there has never been a case when the Senate has succeeded in taking an ordinary legislative measure and turning it into a revenue measure. That has never been done and I will tell the Senate why. The House has placed its interpretation on what constitutes a revenue bill under the Constitution, namely, that the constitutional provision refers to a revenue bill when the bill is introduced, and the House will not consider it otherwise.

The junior Senator from Louisiana has had some experience with the House Committee on Post Office and Civil Service. On one occasion we tried to add an increase of the first-class mail rate to a bill in which the House had raised the second-class rates. The House took the position that the Senate had no right to make it a revenue bill by raising postal rates beyond those the House had considered.

The House is very strict about this matter, and the House would refuse ever to concede that a bill which is ordinary legislation, or an ordinary pay-increase bill, could be turned into a revenue bill by the Senate. There is no doubt about it. A bill to raise \$150 million or \$200 million, by increasing postal rates, is a revenue bill. There is no doubt that the House would refuse to consider such a bill. I believe the distinguished chairman of the Committee on Post Office and Civil Service knows that that has been the experience. I believe he has served on that committee in the House.

Mr. CARLSON. Mr. President, I wish to say that the precedents are thoroughly in accord with what the Senator from Louisiana has stated. On numerous occasions the House has refused to accept such bills.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes on the amendment to the distinguished Senator from West Virginia.

Mr. NEELY. Mr. President, there are a multitude of adequate reasons why the Knowland amendments should be overwhelmingly defeated: First, they improperly propose to combine what should be a bill to establish rates for a man-made postal system with a bill to provide a living wage for God-made human beings. Second, they propose to obtain the deserved increase of compensation which the bill provides for the postal workers by imposing an intolerable and indefensible, additional burden of cost on the users of first-class mail who are already paying the Government for its service a profit of \$50 million a year. Third, to adopt the amendments would be to discredit the entire membership of the Senate Committee on Post Office and Civil Service, which rejected the principle of the Knowland amendments and unanimously approved the pending bill in its present form. Fourth, to adopt the amendments would be to murder and bury the bill beyond the possibility of resurrecting it during the few remaining, fleeting hours of the present session of the Congress. And, fifth, to kill the bill would be an outrageous injustice to 450,000 long-suffering, patient, shamefully underpaid postal employees who are justifiably pleading with us to reject all proposed crippling amendments, and pass the bill without further delay.

It is an age-old proverb that to withhold more than is meet tendeth to poverty. Too long have we withheld more than is meet from the postal workers, the indispensable handlers of the mail—the most indispensable and widely used governmental service in the world.

I refuse to insult these 450,000 praiseworthy, industrious, tireless men and women by voting for the Knowland amendments. It is my sincere hope that they will be decisively defeated, and that the bill will be passed before the end of the day.

Mr. KNOWLAND. Mr. President, I yield myself 2 minutes to answer the statement of the Senator from West Virginia.

It is true that a committee of 13 Members of the 96 Members of this body made a report to the Senate, but that does not foreclose the responsibility of

96 Members of the United States Senate in regard to the proposed legislation. We do not surrender our responsibilities or our obligations as Senators of the United States into the hands of any committee, be it composed of 3 or 21 or any other number of Members. Of course we give considerable weight to the report of a committee, but we also have a responsibility, and it is not unusual at all, as every Member of this body knows, for substantial amendments to be offered on the floor of the Senate to tax bills, appropriation bills, and every other kind of proposed legislation which may be before the Senate, because otherwise the 96 Members of the Senate would be merely rubber stamps, ratifying agencies, of a committee of 13 Members in this body. I do not intend, and I do not believe any other Member of the Senate intends, that we shall surrender our responsibilities to any single committee, even though we give committee reports great weight and great respect.

So far as I am concerned, Mr. President, I resent the implication of the Senator from West Virginia that the Senate or the House of Representatives, representing nearly 200 million Americans, should be fearful of what 450,000 postal employees or 1,700,000 civilian employees of the Federal Government are going to do to punish a Senator. If that is the price I have to pay to be a Senator of the United States, I shall not stultify myself by paying such a price. I do not deny to any Member of this body the right to vote his convictions and to vote his conscience.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. KNOWLAND. Mr. President, I yield myself 2 additional minutes.

I do not deny to any Senator the right to vote his honest convictions. Senators may honestly differ on this floor. They may vote with the highest of motives, because they believe certain amendments should or should not be adopted. But if the time ever comes when Members of the Senate or the House of Representatives, trembling and in fear of political retaliation, have to vote against their convictions, it will be a sad day for the Nation, it will be a sad day for the Senate, and it will be a sad day for nearly 200 million patriotic Americans who expect us, at least, to vote our convictions, regardless of any pressure group, however honest, however faithful, however determined they may be, through the proper procedures to bring their views before the Senate and the House of Representatives.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished Senator from West Virginia [Mr. NEELY] 4 minutes on the amendment.

Mr. NEELY. Mr. President, the distinguished Senator from California is unduly excited about buying immunity from either the revenge or the wrath of the postal employees. It is not a question of immunity. It is a question of justice—justice to 450,000 deserving, underpaid Government employees. It is also the further question of whether we shall do what justice dictates should be

done or what the whip-cracking Postmaster General says must be done. Fortunately the Postmaster General's whip has no terror for me. The Knowland amendments, as previously pointed out, would further penalize the users of first-class mail who are already paying the Government a profit of approximately \$50 million a year. The amendments, if adopted, would add a \$150 million a year to the burdens which these profitable customers are already bearing.

Mr. KNOWLAND. Mr. President, will the Senator from West Virginia yield?

Mr. NEELY. Not now.

Mr. KNOWLAND. They are the users—

Mr. NEELY. Mr. President, I refuse to yield. And what is proposed for the publishers of magazines and other periodicals who are paying the Government \$237 million a year less than it costs to handle their output? Not the publishers but the taxpayers must provide the means with which to extinguish this yearly deficit.

And what do the Knowland amendments demands of these \$237 million a year deficit artificers? Oh, taxpayers, hear and weep. They demand \$13 million a year. And as a result of these provisions, the amendments, if adopted, would compel those who are already paying a profit of \$50 million a year to the Government to pay \$150 million more, while those who are being subsidized at the rate of \$237 million a year at the expense of the taxpayers would be required to pay only \$13 million a year in additional postage.

Under this administration what a blessing to be clothed in purple and fine linen and fare sumptuously every day. And what a misfortune to be a poor man dependent upon the crumbs that fall from some rich man's table.

Mr. President, I again urge the Senate to reject the Knowland amendments, and to pass the bill, regardless of the threats, express or implied, that the President will veto it if we fail to make it conform to the demands of his spokesman, the whip-cracking Postmaster General. Let us do our duty regardless of what the President may do. If he vetoes the bill, which I am confident the Senate will pass without the Knowland amendments, he will, in due time, learn that he has made still another mistake which the people at the ballot box will not forget in either 1954 or 1956.

Mr. KNOWLAND. Mr. President, I yield myself an additional minute. In the amendments which I have offered provision is made for an additional increase on second-class mail of 10, 10 and 10. There had already been an increase of 10, 10 and 10, and the amendment would bring the rate up to what the Senate, 2 years ago, voted should be the amount of the second-class mail rate increase. It may be that at the next session of Congress additional increases in the second-class and third-class rates should be made. But the second-class mail has not been exempt in the amendments I have offered. To the contrary, in addition to the increase in first-class postage, the increase in second-class postage has been brought up to the rate previously adopted, so that it will be 20, 20 and 20,

which the Senate approved 2 years ago.

Mr. JOHNSON of Texas. Mr. President, does the Senator from West Virginia desire an additional minute?

Mr. NEELY. No, Mr. President, for the obvious reason that what the distinguished Senator from California has just said requires no reply.

The PRESIDING OFFICER. The Senator from West Virginia has not been yielded time.

Mr. JOHNSON of Texas. The Senator from West Virginia has used his 1 minute.

Mr. President, I yield to the distinguished junior Senator from South Carolina [Mr. JOHNSON], formerly chairman of the Committee on Post Office and Civil Service, and now ranking member of the committee, 12 minutes on the amendment.

Mr. JOHNSTON of South Carolina. Mr. President, I think we should calmly and quietly examine into the matter which is before us. Let us first consider how private business has been increasing the pay of its employees, and see whether or not the Government has kept in line with respect to its employees.

This is not a question of whether postal employees have asked Congress for an increase in pay because they think they deserve it. That is not the question before us. Other Government workers also are affected. At present there is a total of more than 2 million Government employees.

We should not consider only the 450,000 so-called regular postal employees, because, depending upon the times and the volume of mail, as many as a million employees are working for the Post Office Department at various periods of the year.

Let us consider what President Eisenhower had to say in regard to the matter. In his economic report, President Eisenhower said that during the period 1939-53 the following increases have been granted in the weekly wages of employees of private industry:

Bituminous coal workers, a 258 percent increase since 1939; building construction workers, 201 percent; factory workers, 200 percent; hotel workers, 151 percent; railroad workers, 140 percent; wholesale trade workers, 139 percent; retail clerks, 137 percent; telephone workers, who received the least increase, 102 percent.

Compare the increases received by postal workers with the increases received by bituminous coal workers.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. KNOWLAND. Will the Senator kindly state the base year which he is using in speaking about the increases?

Mr. JOHNSTON of South Carolina. These figures are taken from President Eisenhower's economic report of 1954 to Congress.

Mr. KNOWLAND. I do not have the report before me. Can the Senator tell me the base year to which the percentage increases are related?

Mr. JOHNSTON of South Carolina. It is for the period 1939-53. The postal workers during that period of time have

received increases of 94 percent, as compared with the 258 percent for bituminous coal miners.

The bill before the Senate proposes to increase the pay of postal workers an additional 5 percent.

Let us face the facts as they are. We know that the House of Representatives has already announced that it does not intend to increase postal rates. The House has refused even to consider that matter.

Let us go a step further. The Senate is proposing to amend a House bill, which is not a revenue bill, by attaching to it provisions for postal rate increases, and then to send it back to the House. When the Senate in the past has originated postal rate increase bills and has sent them to the House, the question has been raised in the House that such bills are revenue bills, and the House has returned them to the Senate on the ground that because they are revenue bills, they should have originated in the House, in accordance with section 7 of article I of the Constitution, which provides as follows:

All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

Let us consider the position in which we again find ourselves with respect to the matter of raising revenue on this particular bill. I call the attention of the majority leader to the fact that the Committee on Post Office and Civil Service was acting under the instructions of the Republican policy committee not to take up or have hearings on a revenue bill in reference to postal rates. I think that is true, is it not?

Mr. KNOWLAND. I simply say to the distinguished Senator from South Carolina that the Committee on Post Office and Civil Service was not acting under instructions of the policy committee. A report was made to the policy committee that there had been an understanding between the House and the Senate committees that the House would act first on the matter.

Mr. JOHNSTON of South Carolina. That is correct.

Mr. KNOWLAND. But neither the majority policy committee nor the minority policy committee instructs any standing committee of the Senate as to what position it should take.

Mr. JOHNSTON of South Carolina. It was the report of the chairman of our committee that he had orders from the policy committee not to hold hearings on a rate bill at any time.

I come now to the proposal to attach rate-increase amendments to the bill. The House has already decided that it will not consider any rate increase, and has refused to let such a bill be reported to the floor of the House. At this late hour the Senate should do what is right and just.

Something has been said about second-class rates. The second-class rates have produced only a little over \$5 million instead of \$13 million. Now it is proposed to raise them another 10 percent.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUMPHREY. Is it not true that regardless of the merits of the amendments which have been offered, by attaching rate amendments to a pay bill for classified and postal employees, we would literally be saying to every user of the mails, "The reason why your postage rate has gone up is that postal workers have received another \$50 or another \$60 in income"? It is a kind of stigma which will attach.

Is it not true also that this is a most unusual way to try to pass a postal-rate bill? Does the Senator from South Carolina recall that rate bills generally have been passed by having them considered on their own merits, rather than by means of attachment to employee classification pay bills?

Mr. JOHNSTON of South Carolina. I do not recollect any occasion when a pay bill has been made dependent upon a rate bill for passage.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. JOHNSTON of South Carolina. I yield further.

Mr. HUMPHREY. Does not the Senator think it would be well for Congress, after all the abuse which has been heaped upon Federal employees—unnecessary and uncalled for abuse—to pass a clean bill for Federal employees. It would be only a tidbit of what they really deserve. Every Member of the Senate knows that the cost of living has risen by more than 5 percent since the Federal employees last received a wage increase. Every Member knows that a 7 percent increase would not cover the increased cost of living. Does it not seem that the least Congress could do would be to treat them as an employer would treat an employee, without chastising them?

Mr. JOHNSTON of South Carolina. The Senator from Minnesota is entirely correct. Every time a pay bill has been passed previously, Congress did not provide a sufficient increase to catch up with the actual increase in the cost of living. We have only given about half the amount of the increase which should have been given. We have never caught up.

So, it should be remembered that in 1951, when Congress passed a pay increase bill, we were behind the actual increase in the cost of living at that time. Since that time, the cost of living has further increased by approximately 10 percent.

That is why the Senator from West Virginia [Mr. NEELY] and I introduced, at first, a bill providing for a 10-percent increase, with a ceiling of \$800 and a floor of \$400, so as to try to give to the employees what was considered to be a pay increase in accordance with the increase in the cost of living since 1951. We did not even take into consideration that that would be behind the increase in the cost of living since 1939.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. SMATHERS. Is it not the opinion of the Senator from South Carolina that

if the amendment offered by the Senator from California were adopted, the practical effect would be, so far as this year is concerned, that there would be no postal pay increase at all?

Mr. JOHNSTON of South Carolina. I fear the Senator's statement is entirely correct, because the House has already gone on record. Members of the House will be able to say, "The Senate should have known that we have already gone on record, and now, on the last day of the session, they send us a bill we have already refused to pass."

Mr. SMATHERS. Has not the House on two occasions refused to consider the postal-rate increase in connection with a postal-pay increase? Therefore, if the Senate should attach a postal-rate increase to the pay increase bill and sent it back to the House, it is only reasonable to conclude, is it not, that the House would not act on it, and, therefore, there would be no pay increase at all this year?

Mr. JOHNSTON of South Carolina. That is one reason why the committee acted as it did in reporting the bill with nothing contained in it but a provision for increased pay. The committee had seen what the House had been doing, and the committee wanted to cooperate with the House of Representatives, and wanted to get legislation enacted to increase the pay of Federal workers.

Mr. SMATHERS. If Congress is to do anything this year toward giving to Federal workers the equity increases about which we have heard so much today, the only way we can do it is to vote down the Knowland amendment and vote up the bill which is before us. Is that not correct?

Mr. JOHNSTON of South Carolina. That is entirely correct. I do not want to leave the subject and forget one factor. It is proposed to give to the Postmaster General the right to reclassify the workers, which will result in increases to them at various times. No one has stated how much such increases would cost, but they will cost money. When the Postmaster General decides to give increases in pay, he will apparently increase the pay of those in the upper brackets, to whom he can dictate. They will get across-the-board increases of 5 percent—

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield to the Senator from California.

Mr. KNOWLAND. Is it not true, however, that the power of the Postmaster General with regard to reclassification is the same as that contained in the Rees bill, which provides that the subject must come back to the Congress, and that if either House, by a bare majority vote, is opposed to the plan recommended by the Postmaster General, it will not go into effect? So either House of the Congress, by a mere majority vote, has a veto power over such a proposal.

Mr. JOHNSTON of South Carolina. That is true, but in my opinion, it is the duty of the House and the Senate to legislate in this field and not turn over to another official the task of legislating for them. I have been against any such proposal, because I think it is wrong. I think the House and the Senate should

do the work in that field. We have held hearing after hearing in regard to the pay proposal. If the amendment of the Senator from California is adopted it will undo all the work we have done.

Let us consider for a moment the employees in the lower pay brackets. There is a proposal for a \$100 increase for the first 3 grades. That minimum would enable the first 2 grades to get increases of \$100, when otherwise they would receive no increase, because there is a minimum of a \$100 increase provided. The proposal is also to increase the pay of GS-3 grade employees by \$100.

The proposal would also give the grade 4 employees a \$100 increase.

Above those grades the employees would get more, as their grades become higher, amounting to a 3½-percent increase. That being so, and considering the other provisions of the bill, in my best estimation, the increases will amount to an average of about 4 percent. Where will the increases above 3½ percent go? Not many of them would go to workers receiving the lower compensation but to the ones receiving higher pay.

The workers in the first 3 grade would receive an increase of only \$100. Would that offset their increased cost of living? That is one of the questions that arise in my mind, as I believe it arises in the minds of other Senators. If the Senate is going to pass a bill which embodies not only postal-rate increases, but also reclassification, without giving the committee, which has a right—

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JOHNSTON of Texas. Mr. President, I yield to the distinguished Senator from Oklahoma, who is a member of the committee, 5 minutes on the amendment.

Mr. MONRONEY. Mr. President, I rise in opposition to the amendment of the distinguished majority leader. The committee spent long days and weeks in hearings, in consideration of the question, and in executive sessions, in order to work out the best possible compromise. Now the Senate finds itself, on the last day of the session, being asked to accept an amendment proposed by the distinguished majority leader which, in my humble but considered opinion, would mean the death of the postal-pay bill and the pay bill for classified employees.

Let us not "kid" ourselves. Let us not "kid" the Federal employees of the Nation, that there will be any pay increase if the Knowland amendment to the bill is agreed to. The history of this proposed legislation, and the traditions and precedents of the House of Representatives in rightfully insisting on its prerogatives to be the House of Congress in which revenue-raising measures must originate, make it crystal clear that the only effect of attaching the Knowland amendment to the bill will be to defeat any pay legislation.

I am not so sure that the administration, or General Summerfield, or Senator Summerfield, or whatever one may want to call him, does not have that in mind.

I know the distinguished majority leader does not have that in mind. I know the distinguished majority leader means what he says when he says he

wants to increase the pay of Federal employees.

Of course, we have had some strange ways proposed for doing it, such as proposing no increase for the lowest paid, most humble employees, and proposing increases of up to \$800 for the "plushiest" jobs in the civil service.

That was the original proposal—

Mr. KNOWLAND. Mr. President, will the Senator yield half a minute to me?

Mr. MONRONEY. I yield to the majority leader.

Mr. KNOWLAND. Let me give the Senator my assurance—and I am satisfied I state a fact—that the Postmaster General is interested in wage increases for postal workers, and that the President and the administration are interested in increases for both postal and classified workers; but they have believed consistently that there should be compensating revenues or compensating offsets provided.

Mr. MONRONEY. I am glad to have the distinguished majority leader's position on the question. The Senator from Oklahoma believes that the duty of reclassifying the postal field service is in the Congress. It has had the authority historically to control the classification of jobs in the postal service throughout our history. The Postmaster General might throw a dime in the tin cup of the employees, if he could have his way in telling Congress that it has not sense enough to legislate on the classification system. Further the Postmaster General has said there will not be a pay increase unless a postal rate increase is tied in with the legislation. He has ignored completely the rights and prerogatives of the congressional branch of the Government, and the traditional prohibition against the Senate's originating any revenue-raising measures.

It seems strange to the junior Senator from Oklahoma that on the last day of the session we should treat Federal employees, who can appeal only to the Congress for relief, in that manner. We have had many bills before us, and we have taken care of nearly everybody who has some patented gimmick that will help him get reelected.

It seems strange that the Senate should defer to the very last minute a matter that should be on the conscience of the 96 Members of the Senate, and the Senate is the only place to which Government employees can come for an open forum. These workers constitute the largest group of labor that is denied the ordinary weapons and prerogatives of labor unions because they cannot strike, and should not be allowed to strike. They can only petition the Members of the Senate and the House for the modicum of justice which is their due, to keep in line even to a slight degree with the increasing cost of living and the increased wages which employees in other industries have been paid throughout recent years.

We are told that they cannot have a pay increase except on conditions the Postmaster General approves. We are told that the administration will veto the bill, or that the Postmaster General will encourage a veto unless he has his way

100 percent down the road. As a member of the Democratic administration I have been accustomed to having some pressure put on the Congress. I have been invited to go along on legislation in which the administration was interested. I have been talked to by members of the executive branch of the Government, who sit in the gallery and call Members off the floor and ask if they might discuss an amendment in which the administration is interested.

The PRESIDING OFFICER (Mr. BUSH in the chair). The time of the Senator from Oklahoma has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 3 additional minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for an additional 3 minutes.

Mr. MONRONEY. The right of petition, not only by employees but by the Executive, is not unknown on Capitol Hill. But never in my 16 years in the Capital have I seen any man arrogate to himself the right to dictate to the Congress, to the committee chairman, to the members of the committee—yes, and to the individual Members of the Senate within his own party—telling them that they are expected to fall in line, to salute and obey, and go along with the Postmaster General's position. I think that is carrying petition rights a little bit too far.

Let us look at the justice of including in this measure the postal-rate increase. I think we all know that we cannot do it and secure passage of a bill. Why do we not bring in an amendment to the tax bill? More than \$212 million of the increase in pay for the classified workers must come out of the general tax revenue. Shall we put an amendment to the revenue bill and say that part of the \$7,400,000,000 in tax reductions we have given this far in this session is now to be withdrawn because the taxpayers of the country use the service of these classified workers? It would make just as much sense, I believe, be just as logical, to amend a tax bill with a pay increase as in this manner. Here the administration insists that the pending bill must carry the increase in the postal rates, when we know the House has refused to pass a bill containing such a provision. The House refused 3 years ago even to sit down in conference and let the Senate raise upward by 1 cent the first class mail rate.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. JOHNSTON of South Carolina. Is it not true that if we waited for the budget to be balanced, no Government employee would ever get an increase?

Mr. MONRONEY. Of course that is true. To use this as a blackjack to force the Congress to pass without hearings or House action a postal-rate increase bill which will penalize the small users of mail, yet leave the giants who use our postal system for profit almost free of any substantial rate increase, I think is absurd and unthinkable.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JOHNSON of Texas. I yield 2 minutes to the distinguished Senator from Delaware [Mr. FREAR].

The PRESIDING OFFICER. The Senator from Delaware is recognized for 2 minutes.

Mr. FREAR. Mr. President, I have great sympathy for what the majority leader is trying to accomplish by way of getting additional revenues for the Treasury. However, I am sorry that I cannot go along with his amendments, because I believe we should not tie them to a bill affecting the pay of postal employees.

I also differ from the great Senator from California on another point. I do not believe we should penalize the users of first-class mail who are and have been for some time paying their way. I have been very sympathetic to an increase in second-, third-, and fourth-class mail rates. While I had the honor of serving on the Post Office and Civil Service Committee we had hearings for many months. We heard practically every publisher of magazines, books, and charitable and farm magazines. We gave them ample time to express their views. Many of them were sympathetic to increases. As a result, as I recall, there was a 30-percent increase in the rates on some of the classes of mail.

The Senator from California now proposes another 30-percent increase. As I have said, I should like to go along with that proposal, but I do not like to see it tied to a bill which is too deserving to be given a death blow at this late hour of the Congress.

As the able chairman of the Post Office and Civil Service Committee has stated, either postal employees deserve this increase in pay or they do not. We should vote that they deserve it or that they do not deserve it. I think our votes today will determine whether we want the postal employees to have an increase in salary.

The PRESIDING OFFICER. The time of the Senator from Delaware has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 2 additional minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for an additional 2 minutes.

Mr. FREAR. I thank the Senator.

Of course, I do not wish to be tied down in my vote, nor do I wish to tie down the vote of any other Senator because he may happen to be up for reelection this year, or of Senators who may not even be candidates. I believe our votes on the proposed legislation will indicate that we feel conscientiously that the postal employees deserve the increase, or that they do not deserve it. I should not like to see a Senator vote on this proposed legislation, whether he votes for it or against it, because he may think it would gain him some votes in the general election or deny him some votes in the general election.

Mr. President, I also feel that the Postmaster General has a very definite responsibility, in the operation of the Post Office Department, for its mainte-

nance, if he can provide it, on a pay-as-you-go basis. Personally I should like to see the rates so increased on second-, third-, and fourth-class mail that they would pay their own way, without the users of first-class mail being penalized to help support those who use the mails in the second- and third-class categories.

Our postal employees are certainly deserving of an increase when we compare their pay rates with the increased rates of day laborers and when we compare them with the increased rates which have been granted to many millions of white-collar workers during the past 2 years.

Mr. President, in conclusion, there is just one question I should like to ask, of the chairman of the Senate Post Office and Civil Service Committee, if I may. On page 2, under subdivision (8), the report states:

A repeal of present law which restricts the number of permanent appointments, promotions, and transfers in the Federal service.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JOHNSON of Texas. Mr. President, I yield the Senator a half minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for an additional half minute.

Mr. FREAR. I should like to ask the Senator from Kansas, does that not open the door to the Postmaster General for an exceptionally large increase in employment?

Mr. CARLSON. I do not think so.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FREAR. The answer is no?

Mr. CARLSON. That is correct.

Mr. JOHNSON of Texas. Mr. President, I yield the distinguished Senator from New York 2 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. LEHMAN. Mr. President, I shall certainly vote against the amendment of the distinguished majority leader. I wish to say to him that I think these employees are clearly entitled to an increase in pay. They have earned it; they deserve it. As a matter of fact they deserve more than we propose to give them in this bill.

I think it is very unreasonable to say to any group of men, "We are not going to consider a raise in your wages unless there be some other provision in the way of increased revenues such as are proposed in the amendment of the majority leader." If increased revenues are needed to defray the legitimate expenses of Government, I think they should be covered in the tax law, not in a bill of this character. There is no relation whatsoever between the mail rates and the pay which has been earned and is deserved by the workers. I think there might very usefully be changes in the postal rates but they should be considered only in a separate bill.

I believe too that any increases in rates should be in proportion to the service rendered to the users of the different classes of mail. I can see no justification

whatsoever in saying to this group of hardworking, loyal men and women, "You are not going to get any raise in your pay no matter how fully it is deserved unless at the same time we do this, that, or the other thing"—in this particular case, of course, it being a raise in the postal rates.

So, Mr. President, I shall vote against the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from California.

Mr. KNOWLAND. Mr. President, I yield myself 5 minutes on the amendments.

Mr. President, last night in the CONGRESSIONAL RECORD, beginning on page 14488, I inserted into the RECORD information relating to legislation passed at this session of Congress, under the heading "Principal Features of New Federal Employee Legislation."

The information shows the "Group Life Insurance—Cost to Government, \$22 million."

Also listed are the "Modification of the Whitten Amendment," the "Incentive Awards Program," the "Repeal of the Annual Leave Reduction Requirement," the "Extension of Longevity Pay Increases," the "Recruitment at Salaries Above the Minimum of the Grade," the "Allowance for Uniforms," the "Abolishment of the CPC Schedule," the "Increase in the Number of 'Supergrade' Positions," and the "Premium Pay" provision.

That information shows that the cost of this desirable and I believe beneficial legislation would be—

For the group life insurance, \$22 million.

For the fringe benefit bill, \$70,760,000.

For the uniform provision, \$20 million.

The total of those items is \$112,760,000, which is exclusive of whatever pay increase legislation may be enacted.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. KNOWLAND. I will yield in a moment.

Mr. President, for the benefit of some of the Senators who may have come in late, I again say that the amendments I propose keep the pay increase for the postal workers on the same basis as that provided in the so-called Carlson bill, reported from the committee; namely, there is a minimum floor of \$200 and there is a ceiling of \$440 as to the postal workers, and the increase averages 5 percent. That is precisely the same provision as in the amendments I have presented.

The original amendments I offered provided about a 3½ percent overall increase for the classified civil service, which is the same as is provided by the so-called Rees bill introduced in the House.

After the discussion on the floor the other day, the amendments were revised to provide for a minimum of \$100 for the classified service and a ceiling of \$440, which will be the same as the ceiling for the postal workers. The average for the classified service, with the revision, would be approximately 4½ percent.

The amendments do provide for an increase in revenues from the first-class mail, and percentages of 10, 10, and 10 in the second-class mail. This increase is approximately the same, with regard to the offsetting, compensating features of income, as that provided in the bill which passed the Senate 2 years ago, reported by the committee headed by the distinguished Senator from South Carolina [Mr. JOHNSTON].

There has been some discussion relative to the cost of living. We all know that since 1939 the cost of living has risen, and there have been various adjustments in salaries in private industry, in the Federal Government, and in State and local government to meet that increase in the cost of living.

The figures show, taking 1939 as a base of 100, that the cost of living had risen approximately 93.6 percent by 1953. The letter carrier was allowed a salary increase in that period of time of 94 percent. The salary increase of the mail handler in that same period of time was 117 percent.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KNOWLAND. I yield myself an additional 5 minutes.

The salary increase of the custodial laborer has been 127 percent in that same period of time, using the same base.

The salary increase of the supervisor has been 77 percent, which is not so much as the increase in the cost-of-living index.

The increase in salaries paid to postmasters varies with different postmasters, but considering the highest-paid postmaster in the service in that same period of time, and using the same base period, the salary increase has been 15 percent.

Mr. President, since the last salary increase was granted to postal workers, the figures from the Bureau of Labor Statistics, as to the consumer price index since 1952, have been as follows:

In 1952, the average for the year is 113.5 percent of 1939.

In 1953, the average for the year is 114.4 percent of 1939.

In January 1954, the index stood at 115.2; in February, 115; in March, 114.8; in April, 114.6; and in May, 115 percent. That is a rise of 1.5 points from the 1952 average, and represents a percentage increase of 1.3 percent.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from California.

Mr. REYNOLDS. Mr. President, will the Senator yield for 1 minute?

Mr. KNOWLAND. Let me first yield to the Senator from Delaware [Mr. FREAR].

Mr. FREAR. From what source did the Senator derive this statement of benefits he has mentioned, which was inserted in the RECORD last night?

Mr. KNOWLAND. The statement covered new legislation passed by the Congress at this session.

Mr. FREAR. From where is the money derived at the present time to pay for the uniforms?

Mr. KNOWLAND. Under the old system, the employees, as I understand,

had to buy their own uniforms. Under this provision, the authority is given for that cost to be taken care of by appropriations from the Federal Treasury.

Mr. FREAR. From what source is the money derived for giving the postal employees insurance or other benefits, with the exception of retirement pay?

Mr. KNOWLAND. I believe that money comes from the general receipts of the Treasury.

Mr. FREAR. I am trying to determine whether there is a direct appropriation.

Mr. KNOWLAND. I believe the answer to that question is "Yes."

Mr. FREAR. With regard to the retirement benefits, for which the Government obligates itself to match funds contributed by postal employees from their pay, is there a direct appropriation to a fund for that specific purpose?

Mr. KNOWLAND. I believe the answer to that question is "Yes."

Mr. FREAR. How often does the Congress appropriate money to match those funds, not only for the postal employees, but for other civil servants?

Mr. KNOWLAND. I believe normally, unless there is a continuing appropriation, the matter is handled in each annual appropriation bill.

Mr. FREAR. Does the Senator from California know whether that has been done for this year?

Mr. KNOWLAND. I should prefer not to give the Senator an offhand answer to that question. I shall endeavor to ascertain the answer for the Senator.

Mr. FREAR. Normally it is done in that manner?

Mr. KNOWLAND. That is correct; in each appropriation bill.

I now yield to the distinguished Senator from Nebraska for 2 minutes.

Mr. MONRONEY. Mr. President, will the Senator yield for a question?

Mr. KNOWLAND. I will yield, after the Senator from Nebraska has concluded.

Mr. REYNOLDS. Mr. President, I shall take no more than half a minute.

As a businessman, the junior Senator from Nebraska has long wondered why the Postmaster General of the United States have been unable to inject some semblance of business into the administration of the United States Post Office Department. The specious arguments which have been presented this morning, and the political pressure which has been in evidence, demonstrate completely to me what an impossible task the Postmaster General has.

Mr. MONRONEY. Mr. President, will the distinguished majority leader yield for a question?

Mr. KNOWLAND. I yield.

Mr. MONRONEY. I appreciate very much the distinguished majority leader mentioning benefits, such as uniform allowances. I should like to ask whether it is not a fact that the same committee which has taken action on the pay bill reported the bill providing the benefits the majority leader has enumerated.

Mr. KNOWLAND. I will say to the distinguished Senator—

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KNOWLAND. Mr. President, I yield myself 1 additional minute.

I will say to the Senator from Oklahoma that my argument is not that the additional bills which were passed should have foreclosed pay legislation, because I am prepared to support legislation providing for pay increases with compensating postal rate increases. I am pointing out for the RECORD that regardless of what has been done in this regard, there have been a number of well deserved beneficial acts passed.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, a table, taken from page 15 of the Treasury-Post Office appropriation bill hearings, showing the various postal pay increase bills which have been passed since 1945, and the amount of the appropriation required to carry out the public law in each instance.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[Taken from p. 15 of the hearings on the Treasury Post Office appropriation bill of 1955]

Public Law 134, effective July 1, 1945, postal field salary bill.....	\$239,467,000
Departmental salary bill, Public Law 106, effective July 1, 1945.....	786,000
Postal field salary bill, Public Law 381, effective Jan. 1, 1946.....	190,631,000
Departmental salary bill, Public Law 390, July 1, 1946.....	684,000
Postal departmental and field salary bill, Public Law 900, effective July 1, 1948.....	215,960,000
Postal field salary bill, Public Law 428, effective Nov. 1, 1949.....	112,489,000
Departmental salary bill, Public Law 429, Nov. 1, 1949.....	278,600
Accumulation for night differential on salary increases, 1945-50.....	15,171,000
Additional overtime on salary increases, 1945-50.....	10,900,000
Department salary bill, Public Law 201, July 1, 1951.....	1,100,000
Postal field salary bill, Public Law 204, July 1, 1951.....	248,600,000
Adjustment of sick and annual leave, Public Law 233, effective Jan. 6, 1952.....	50,000,000

This is accumulated salary legislation from 1945 computed up to December 1953.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, from the remarks which have been made on the floor I apprehend that there is a good natured, gracious, but nonetheless rather firm attack being made on the majority leader for having brought up the amendments which are pending at the present time.

It seems to me that the Members of the Senate on both sides of the aisle owe the majority leader a debt of gratitude for trying to work out a realistic solution to the pay problem.

I learned long ago that a bird in the hand is worth two in the bush. The Senate can act on the bill, but that does not put any dollars into the pockets of those who carry the mail or other em-

ployees on the Federal payroll. It will still require the signature of the President of the United States. If we are to be realistic and practical about it, I think we ought to take counsel with what the President has said heretofore. He stood before the joint session of Congress in January and made specific recommendations with respect to the Post Office; first, a short-term recommendation for an adjustment of postal rates, and, second, a recommendation for the long pull, in the form of a board similar to that provided for in the bill I introduced some time ago, which board would have the power to survey and make a recommendation to Congress, leaving always in the hands of Congress the authority finally to determine the rates.

What good would it do to pass a bill without the rate amendments which are before the Senate at the present time, only to have it vetoed ultimately, because it is not consonant with the budget program?

The fact is that in 1953 there was a deficit of \$663 million in the Post Office Department. There was an estimated deficit of \$747 million in 1954. While we belabor the Postmaster General, let me say that for 1954 he has reduced that estimated deficit to \$437 million.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. DIRKSEN. I cannot yield at this time.

The PRESIDING OFFICER. The Senator from Illinois declines to yield.

Mr. DIRKSEN. If Mr. Summerfield is a dictator, he is certainly a benign dictator. If he is a despot, he is a very gracious despot. If he is a tyrant, he is the most amiable and genial tyrant I have ever seen. His interest is in the public well-being. Certainly that interest of his is not exceeded by the interest of anyone who serves in the Senate. He has a job to do. He is operating an agency which purveys a service to the people.

Let no one call him a tyrant or a dictator. He claims only to be a good businessman trying to reduce the deficit in accordance with the instruction and admonition of the President of the United States.

What the majority leader has suggested is in the nature of an offset so that the deficit will not grow larger. I believe it is to the eternal credit of the majority leader that he should come before the Senate with that kind of amendment knowing that without it at the end of the line there is a possible veto which would not put a dollar into the pockets of a single carrier or a single employee in the Federal Government.

Something has been said about big postal subsidies. Let me remind Senators on the other side of the aisle that \$2,400,000,000 in subsidies for second-class mail were paid from 1936 to 1953. The Republicans were not in power during the years when those subsidies were piled up.

Insofar as I know, I saw no effort made on the part of the prior administration to cut down those subsidies. When I served in the House, I heard many sonorous discussions about the great subsidies which were being paid to second-

and third-class mail but I never saw one soul who wore the administration tag who ever came before Congress with a concrete plan to meet that huge subsidy problem in connection with second- and third-class mail.

Let it be said to the everlasting credit of the Postmaster General that he has called in the large publishers and said to them, "I want to say to you as firmly as I know how that you will have to pay your part of the cost. There is not going to be a free load and a free ride anymore."

The one thing Congress can do is to put the Post Office Department on a sound fiscal basis in accordance with the desires and recommendations of the President of the United States in his message on the State of the Union.

It was stated a moment ago that there will be a raise only if there is a rate increase. Mr. President, that is not the fact.

Perhaps the amendments of the Senator from California will be voted down. I do not know. At any rate, they represent a sincere and earnest effort on the part of the majority leader to bring the program in line with the recommendations of the President and the recommendations of the Postmaster General, who is charged with the responsibility of operating the biggest service on the face of the world.

For that, of course, the majority leader is to be highly commended. If his amendments are voted down, and if other amendments are voted down, it still remains for the Senate to pass upon a pay raise bill as such.

The House is still in session. It has passed an entirely different kind of measure. It came before the House when the Committee on Post Office and Civil Service of the House was finally discharged under the petition rule. In conference perhaps, a bill may be worked out. However, at the end of the road there is still the possibility of a veto. I have no authority to speak for the President of the United States, but he pledged the people of the country that he would try to pursue a course of economy and that he would try to balance the budget if he could. We still have a way to go. He has asserted his position over and over again in connection with the tax legislation. The amendments before us are in a modest degree an offset to provide revenue for the increase in pay, so that the budget in the Post Office Department may not grow any larger.

I think, therefore, Mr. President, that instead of polite abuse, the majority leader deserves the praise of the Senate and of everyone else for suggesting a practical solution to the problem which would eventuate in a Presidential signature, finally placing this pay increase actually in the hands of those for whom it was designed.

I yield the floor.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the senior Senator from Oregon [Mr. CORDON].

Mr. CORDON. Mr. President, I agree with the position just taken by the junior Senator from Illinois with respect to his appraisal of the propriety and the wis-

dom of the action of the majority leader in presenting the amendments. However, I do not agree with the amendments. Let me complete this picture of apparent inconsistency by saying that, nevertheless, I expect to support them. I shall require, I think, my full 5 minutes. The minutes we have left are short and few before Congress adjourns.

Differences of opinion have been voiced on the floor. There are differences of opinion between, I suspect, a majority of the Congress and the executive department, and, I believe, a majority of the Republicans and the executive department. But, Mr. President, legislation of necessity is compromise. Legislation ought to be enacted in a climate of reason, of willingness to concede, in order to obtain the best possible result for all. We can create that climate here, Mr. President.

First, there is in my mind no particular principle involved here. There is simply a combination of circumstances which can be resolved. We should seek for, and, having found, accept the best solution available to us under the circumstances.

I should like to go at length into my views with respect to the lack of any real connection between the right of an employee of the Postal Department to an increase, and the necessity to meet a deficit in the Postal Department. In my opinion, there is no necessary relationship. If the post-office employee is entitled to a raise, he is entitled to it. Certainly, we should not penalize the little group of postal employees because the users of the United States mails are not paying their way. That would not be sensible. On the other hand, we are faced with a deficit in the Postal Department. The amendments suggest methods by which that deficit can, at least, be reduced. So we may consider them without in anywise doing damage to logic or reason. There is no reason why we should not consider them. There is a definite reason why we should consider them.

The postal employees of the United States and the classified employees may be better off because we consider them.

I shall support the amendments even though I would prefer to deal with pay rates as pay rates, and with the deficit as a deficit. There are differences of opinion which I do not control and which I did not create. I shall try to reconcile them and suggest a method by which we can win. If we accept these amendments, the bill can go immediately to the House. The House can recede and concur. In that case, we shall have amendments to the bill; and from such information as I have—and none of it is direct or authoritative—the bill will be acceptable to the administration. It will be signed, and the pay raises will be in effect.

Certainly no one questions the soundness of the rate increases, because they are only a step toward the level which we must seek.

If the House refuses to recede and concur, there is no chance, in my humble opinion, for a conference. If we can adopt these amendments, send them to

the House, and the House refuses to recede and concur, so far as I am concerned, when the bill is returned, I shall vote that the Senate recede and concur. By following that procedure, Mr. President, the House can agree and we can have a bill that we know is acceptable. If the House shall fail to agree, we can eliminate the amendments and take the chance that perhaps the administration can be induced to go along with the pay raise alone.

That seems to me to be sound logic, and, predicated upon it, I shall support the amendments offered en bloc by the majority leader.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the Senator from North Dakota [Mr. LANGER] on the amendment.

Mr. LANGER. Mr. President, we have dealt with various bills with reference to pay increases. It is my opinion that those working for the Post Office Department, including letter carriers and mail handlers, are receiving less in actual take-home pay than they received in 1938.

Mr. President, I am in favor of the Carlson bill without the change of a single comma or period or the crossing of a "t" or the dotting of an "i." It is a bill which should have been passed long ago. It has always seemed strange to me that these employees were not receiving the amount of pay to which they were fairly entitled. I commend the Senator from Kansas for putting up a fight for these employees in order to give them justice.

The officers of the various postal organizations are unusually fine men. When they have testified before the committee upon various occasions, when I was presiding, and also when I was sitting as a member of the committee, I was impressed with the fact that they never asked for more than that to which they were honestly entitled. Likewise, they never received what they were fairly, squarely, and honestly entitled to receive. In order to make a living, some of these men have their wives working, driving taxicabs, or working in stores. Many of their children do not receive the kind of education to which they are entitled. We talk about a vacation. It is a travesty even to talk about a vacation for those people, because workers in the postal service do not get vacations that amount to anything. When a postal employee does have a chance to get a vacation he does not have any money to go anywhere.

In some of the hearings it developed that in order for the wife of a postal employee to get a dress she had to take a suit which had been worn by a letter carrier and have it made over so that she could have a dress to wear.

I remember that a short time ago veteran mail handlers were receiving \$1,900 a year. When we tried to get them a decent salary increase, such as \$500, or \$600, or \$700, in order that an employee could maintain a wife and one child, we finally had to compromise on \$400.

The entire proposal to raise postal rates is perfectly ridiculous. There are

many people working in the Department of Agriculture, and we do not say that the Department must make a certain amount of money before the employees can have their salaries increased. There are persons enforcing the food and drug laws, and we do not raise the fees for permits in order to get enough money to help them.

The Government has bureaus regulating fisheries, mining, forestry, and many other branches of the economy. For the first time it is planned to inaugurate a system of increasing postal rates when that has absolutely nothing to do with compensating a worker with an honest day's pay for an honest day's work. It seems to me that the problem with which we are confronted is, Shall we pay the Government worker an honest day's wage for an honest day's work?

Furthermore, Congress has appropriated many billions of dollars for foreign aid and relief. The give-away program, as was said the other day, has now reached a total of \$70 billion. Are we now to say that the men and women who are entitled, in fairness, decency, and justice, to a needed increase in pay are not to receive that to which they are justly and honestly entitled?

Again I say that I expect to support the bill introduced by the chairman of the committee, the distinguished Senator from Kansas [Mr. CARLSON], who has done a good job. I shall support him to the limit. I hope every other Senator will do the same.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished junior Senator from Rhode Island [Mr. PASTORE], a member of the committee, 10 minutes on the amendment.

Mr. PASTORE. Mr. President, in my opinion, there is little question in the minds of all of us that Federal employees are entitled to a modest 5-percent increase in pay. Indeed, I think I would not be reflecting the sentiment of all the Members of the Senate if I did not state that all of us feel that Federal employees are entitled to even more than a 5-percent increase.

However that may be, the committee, after serious deliberation and many hearings, decided that the equitable course to follow as of the moment was to grant a 5-percent increase, with reasonable limitations as to maximum and minimum.

At the moment, I shall address myself to the amendments which have been proposed by the distinguished Senator from California, because I believe they constitute the issue before us. That issue is the only impediment which stands in our way.

I am not too much impressed with the argument that unless the amendments be adopted, the increase in wages cannot be granted; or that if the amendments are not agreed to the risk will be run of a possible veto of the bill on the part of the President of the United States.

In that connection, in my opinion, no Senator has been closer to the President of the United States, or has done more to advise and counsel him, or exerted more effective effort to elect Mr. Eisenhower as President, than the very dis-

tinguished junior Senator from Kansas [Mr. CARLSON], chairman of the Committee on Post Office and Civil Service.

While I do not wish to anticipate any assurance that may be given by him before a vote is taken on the amendments, the Senator from Kansas was asked a question in committee as to how the White House might feel about the pending bill without the amendments which have been offered by the distinguished Senator from California. The committee received, not a guaranty, not a guess, but an assurance from the distinguished chairman of the committee that, in his opinion, the proposed legislation would be acceptable to the President.

I am a little astounded at the moment to hear so many Senators on the other side of the aisle say that it is their feeling, because of certain general utterances by the President, that unless the pending amendments are attached to the bill, the risk will be run of having the President veto the bill. I doubt that very much.

I do not question the sincerity of the distinguished Senator from California in offering his amendments. While he and I are not of the same political philosophy, there is no Member of the Senate for whom I have greater admiration and respect than I have for the senior Senator from California. I think he is a man of great tenacity, of great purpose, of great ability, of great industry and sincerity. I know that he would not have offered his amendments unless he sincerely thought he was serving the people of the country and his Nation as well. But I do not subscribe to the logic he has offered on the floor of the Senate in defense of his amendments.

The Senator from California has said that, while we all subscribe to the proposition that it is necessary to grant an increase in pay, it is not practical to do so unless postal rates are raised. That argument falls short of logic when it is considered that the proposed 5 percent increase is not alone intended for the benefit of postal workers, but is intended also for the benefit of all classified Federal employees of this great Nation. Therefore, I ask the Senator, Is it necessary, in order to raise the salaries of the classified workers of the Nation, to impose the responsibility for doing so upon the Post Office Department? Can the classified workers of the United States Government receive an increase in pay only if the postal rates are raised? To follow that course would be discriminatory, because if it were necessary to collect new revenue in order to meet this obligation, the cost should be spread equitably, and a tax increase bill should be offered to satisfy the argument that new revenue is needed in order to pay an increase in salaries to classified workers.

I submit to the Senate that the postal pay increase must be met. I am willing to stand up and be counted. I took my position in 1951. I believe that the postal service can be placed on a self-sustaining basis. I contend that the rates should be adjusted upward. Our committee has already indicated that this is the consensus of its members. All

of us are in accord with the belief that some action must be taken to raise postal rates, in order to eliminate the deficit in the Post Office Department.

But postal rates have nothing to do with postal salaries; and postal salaries have nothing to do with postal rates. If the employees of the Post Office Department are entitled to a salary increase, they should receive it, regardless of what is done about postal rates.

By the same token, if postal rates should be increased, they should be increased without consideration of the increase in salaries of postal workers. One is not connected with the other. If an attempt were made to connect them, a precedent of long standing would be broken.

In 1951 the Committee on Post Office and Civil Service worked arduously on the matter of adjusting postal rates. When the bill went to conference, the Senate conferees held fast for an increase in first-class postage rates. We were rebuffed by the House conferees. We were told that that was not the time to raise postal rates, so far as first-class service was concerned.

I submit to the distinguished Senator from California that if he is bent upon blocking pay legislation at this session, all that is necessary to be done is to include a postal rate increase amendment on the pay bill, because the moment that is done, there will be a resolution before the Senate to concur in an agreement to adjourn sine die.

If we want to be sincere, if we are in accord with the modest, justifiable, reasonable increase which is proposed for Federal workers, we should consider the question on that basis and that basis alone. We should act upon the bill favorably today. Then, in due time, hearings will be held by the Committee on Post Office and Civil Service. We will go into the matter of adjusting postal rates and will try to eliminate the deficit in the Post Office Department. We will attempt to distribute the burden and the cost as it should be distributed. We will attempt to do equity to all the users of the postal service.

Frankly, I could never understand why, if one placed a paper inside an envelope and licked the flap, the postage would cost 3 cents, whereas if he turned the flap securely inside, the letter could be sent for 2 cents.

If it is desired to adjust the postal rates and to place the Post Office Department on a pay-as-you-go basis; if it is conceded that it costs as much to deliver an envelope sealed as it does to deliver an envelope whose flap is securely folded inside, why should there be a 33 1/3-percent deduction?

The entire question of postal rates should be examined. The entire rate structure should be studied. If equity is to be done, it can be accomplished only after the proper extensive hearings which are required. This is not the time, the place, or the occasion for those questions to be settled.

The time to go into the entire field of postal rates and do what we should do for the benefit of the Post Office, in order to reduce the budget of the United States,

and also better to serve the people of the United States, will be when we return in January. But the question at the moment is what we should do about salary increases for the postal and classified workers of the Government. In that regard I say that what we should do is pass the bill which was considered by the committee and approved unanimously by every member of the committee, Republican and Democratic, send it to the House so that it can be acted upon, do our job, and go home to our families tonight.

Mr. CARLSON. Mr. President, may I inquire if I have some time remaining on the bill?

The PRESIDING OFFICER. The Senator has 18 minutes remaining on the bill.

Mr. CARLSON. I yield 5 minutes of my time to the distinguished Senator from Minnesota [Mr. THYE].

Mr. THYE. Mr. President, if we examine the record in connection with the question, which is what I have been endeavoring to do this morning, it will be seen that the—

Budget estimates at the beginning of 1953 estimated a postal deficit of \$750 million for the fiscal year 1954. As a result of economies, the adjustments referred to above, and rate increases set administratively the deficit estimate has been reduced to \$437,200,000.

In other words, the Postmaster General, in his administrative functions, has brought about an economy, or a saving, of \$312,800,000. That is most commendable.

It has been my observation throughout the State with which I am most familiar that the Post Office Department has brought about such savings by reorganization of the postal service and the rural routes. Reorganizations in the regional offices that are now going on will result in an additional saving. However, we do not have the answer to how much money those regional offices will save annually in the administrative function of the Post Office Department.

When one examines into the question of salary increases for postal employees, he will find that the pending proposal would result in a cost of \$101,500,000. Therefore, Mr. President, the postal rate increases that have been discussed would not necessarily have to be put into effect in order that postal employees may be granted salary increases, because the cost of salary increases for postal employees will amount to only \$101,500,000.

The pay of other Federal employees should not in any sense be related to postal rates. The pay of classified employees cannot be associated in any way with postal rates. Therefore, I wish to dissociate postal rates from classified employee salary increases.

When all the facts I have stated are considered, one is confronted with two questions. One is that the Postmaster General cannot see any justification for incurring a greater deficit in the Federal Treasury, and he therefore wants a postal rate increase. The desire not to have a greater deficit is commendable on his part, and I approve such a desire. In-

creases in postal rates are long overdue. On the other hand, we are faced with the fact that the House has passed a bill providing for pay increases, and that it is ready to adjourn sine die. The Senate is on the very eve of either adjourning sine die or at least bringing the legislative business to a close.

Another possibility is that of a veto. If the Senate passes a bill which the House will not accept, there will be no postal or classified employee pay increases at all. If the President vetoes the bill, that is his prerogative. I feel sensitive or somewhat embarrassed in taking a position against the administration of my party in that respect, but we are faced with the positive fact that both postal and classified Federal employees are due salary increases. Their wages have not kept pace with increases granted other employees. Their salaries are not in line with those received in commercial establishments, whether the employees be in the technical, the professional, or the labor field. Therefore, the Federal employees are entitled to a salary increase, regardless of what is done with respect to postal rates.

While it is very apparent that there is a justification for increases in postal rates, that question should have been taken up in separately proposed legislation long before this period of the session. That was not done. Therefore, we should not be concerned with increased postal rates today.

The other question is that if we feel the employees are due a salary increase, there is before the Senate a committee bill—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THYE. Mr. President, will the Senator yield me 2 additional minutes?

Mr. CARLSON. I yield the Senator 2 minutes of my time on the bill.

Mr. THYE. Mr. President, we have a bill before us of which the committee made a thorough study regarding wage increases, not only for employees of the postal service, but for those in other Federal agencies. The committee has made certain recommendations to the Senate. I am a firm believer in the committee system of the Congress. Congress assigns certain bills to committees for their study and recommendations. It is our custom generally to accept recommendations of majorities of committees. In this instance, we have had a very able committee chairman, the distinguished Senator from Kansas [Mr. CARLSON]. The committee of which he is chairman has studied and reported a certain bill. I intend to support the committee bill. If it were possible in some manner to offer an amendment to the bill providing for postal rate increases which would be feasible, I would vote for it; but at the present time I am ready to vote for the so-called Post Office and Civil Service Committee bill.

Mr. JOHNSON of Texas. Mr. President, I yield 2 minutes to the distinguished junior Senator from Minnesota on the amendment.

Mr. HUMPHREY. Mr. President, I sympathize with the distinguished majority leader in the problem facing him.

I realize the pressure under which he has been working. Ever since the beginning of the session the Postmaster General and certain other officials of the administration have been insisting on two things. One has been an improper and inadequate wage increase for our classified and postal employees. That was clearly documented in the Frye report, which was rejected, regarding civil service and postal employees pay increases.

Secondly, ever since the beginning of this Congress the Postmaster General has been trying to make a record on the basis of so-called efficiency and revenue in his department. He has, therefore, literally insisted that the rate structure be tied in with the wage structure.

I say this in all kindness to the majority leader. Of course, we are going to defeat his amendment, because it is not a proper amendment, and because it does not belong in the bill.

I want the Record clear that our classified and postal employees stand as the symbol of our Government in every town, village, and community throughout this country. If the bill is passed, those classified and postal employees will not get what they justly deserve. They will get only a token of what their proper reward should be, based on their service, and particularly based on the rise in the cost of living.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I notice that the senior Senator from Minnesota [Mr. THYE] quoted the figure of \$312,800,000 as the reduction in the deficit of the Post Office Department brought about by the present Postmaster General. I should like to call attention to where that saving of \$312,800,000 came from. When the fourth-class postal increase went into effect, it resulted in an increase in revenues of \$160 million. When air mail subsidies were transferred to the CAB, it resulted in a saving of \$80 million—

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JOHNSON of Texas. Mr. President, I yield the Senator 1 additional minute.

Mr. JOHNSTON of South Carolina. Reimbursement for penalty and franked mail accounted for \$20 million, other rate increases, \$40 million. That makes a grand total in revenue increases, plus what is paid out of other agencies of the Government of \$330 million. That is the way the reduction was brought about.

Mr. HUMPHREY. I thank the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I should like to call attention to the fact, also, that in the coming year, 1955, it will cost \$50 million more to operate the Post Office Department than it has cost at any time in the past.

Mr. HUMPHREY. I thank the ranking minority member of the Committee on Post Office and Civil Service.

Mr. President, we are ready to vote on a rate bill when it comes here under proper auspices and duly processed by

committee. We did vote on such a rate bill in 1950.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. I understand, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from California.

Mr. JOHNSON of Texas. Mr. President, I yield myself 3½ minutes, or as much thereof as I may desire to use.

The PRESIDING OFFICER. The Senator from Texas is recognized for 3½ minutes.

Mr. JOHNSON of Texas. Mr. President, I deeply regret that I must oppose the amendment offered by the distinguished majority leader.

I oppose because I think it is flying directly in the face of orderly procedure. We have before us a bill reported to this body by 13 of the most eminent Members of the Senate. In my opinion, it would be a serious mistake for the Senate to tie to that bill the Knowland amendment.

The Knowland amendment comes to us without hearings and without research on the part of our committee. In my opinion it would be an abdication of our responsibility if we were to adopt it.

Mr. President, the pending amendment is not a simple one. In effect, it is an entirely new bill. In my opinion, if the Senate adds this amendment to the bill, the bill will die a quick death.

Mr. President, are we hurriedly to tamper with the postal rates without having the benefit of a committee recommendation as to the effect the proposed increase in rates will have on business in the country? Are we to increase the cost of communication for our people, and are we to do so in the dying days of this Congress, over the protests of the members of the Senate Committee on Post Office and Civil Service?

The basic bill before the Senate today has had the advantage of careful consideration by the 13 members of the Committee on Post Office and Civil Service. The bill was reported to this body by our beloved and respected colleague the junior Senator from Kansas [Mr. CARLSON]. It was reported with the recommendation of each member of that committee. Who are we to select 13 Members and ask them to go into the committee room and discharge their duties and their responsibilities, and to hold hearings and take testimony and weigh the recommendations and make concessions to each other; and then finally when they reach unanimous agreement, set it aside in favor of a new amendment which is brought in at the last minute, and which none of those Members has had a chance to weigh or to consider?

Mr. President, I do not think the Senate will wish to legislate in this manner, and I hope the Senate does not do so.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

Mr. KNOWLAND. Mr. President, first of all, I ask that I may modify my amend-

ment in purely a technical manner, because in several places the word "section" was omitted at places where, for instance, the figures "205" or similar figures appear. So I ask that I may modify my amendment by striking out "Section 205", on page 12, in line 4, and inserting in lieu thereof "Sections 205, 207, and 208"; and on page 12 in line 7, I ask that "203" and "209" be stricken out, and that there be inserted, in lieu thereof "Sections 203 and 209"; and on page 12, in line 8, to strike out "202 and 210", and insert in lieu thereof "Section 202."

Mr. JOHNSON of Texas. Mr. President, these are purely technical modifications, are they?

Mr. KNOWLAND. Yes.

The PRESIDING OFFICER. The Senator from California has a right to modify his amendment; and it will be modified accordingly.

Mr. KNOWLAND. Mr. President, I yield myself whatever time I have remaining under my control.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. KNOWLAND. Mr. President, before the vote is taken, I merely wish to say again to the Senate that it is my firm belief that the only way by which we shall have a postal pay bill and a classified service pay bill enacted into law at this session will be by providing for some offsetting revenues.

Despite what the distinguished Senator from Rhode Island [Mr. PASTORE] said, I do not normally obtain my information from either newspaper accounts or rumors. I am the majority leader of the Senate, and I sit in on the Monday morning White House conferences, and I think I keep in reasonably close touch with the administration's views. It is my judgment that a postal pay bill will not be enacted into law unless provision is made for offsetting revenues.

Mr. President, although the committee has spent time on the bill and has reported the bill to the Senate, the bulk of the bill as reported by the committee, insofar as a pay increase for postal employees is concerned, is the same as the amendment I have offered. There are some changes insofar as the pay increase for the classified service is concerned, but there is not a great deal of change.

The real change comes only in respect to the offsetting revenue features of the amendment. To that extent, as I have pointed out before, the figures used in the amendment are exactly the same as the figures which were brought before the Senate just 2 years ago, by means of the report and action of the same committee, then under the leadership of the distinguished Senator from South Carolina [Mr. JOHNSTON]; and the Senate passed that bill, and sent it to the House. That measure provided for a 1-cent increase in the rate on first-class mail, and provided for bringing the second-class rates up to what the Senate decided; namely, 20, 20, and 20. The conference decided on 10, 10, and 10. This amendment will restore the additional 10, 10, and 10 in the case of the second-class mail rates.

Under those circumstances, I think the amendment is a sound one if the postal workers and the classified workers are to receive this pay increase for their benefit at this session of Congress.

The PRESIDING OFFICER. Does the Senator from California desire to have his amendments acted on en bloc?

Mr. KNOWLAND. Yes, Mr. President; I ask unanimous consent that my amendments be acted on en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendments, en bloc, of the Senator from California.

Mr. JOHNSON of Texas. On this question, I ask for the yeas and nays.

Mr. KNOWLAND. Mr. President, I also ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hendrickson	McCarthy
Anderson	Hennings	McClellan
Barrett	Hickenlooper	Millikin
Beall	Hill	Monroney
Bennett	Holland	Morse
Bricker	Humphrey	Mundt
Bridges	Ives	Murray
Burke	Jackson	Neely
Bush	Johnson, Colo.	Pastore
Carlson	Johnson, Tex.	Payne
Case	Johnston, S. C.	Reynolds
Chavez	Kennedy	Robertson
Clements	Kerr	Russell
Cooper	Kilgore	Saltonstall
Cordon	Knowland	Schoeppel
Crippa	Kuchel	Smathers
Dirksen	Langer	Smith, Maine
Duff	Lehman	Stennis
Dworshak	Long	Symington
Ervin	Magnuson	Thye
Frear	Malone	Watkins
George	Mansfield	Williams
Gore	Martin	Young
Green	Maybank	
Hayden	McCarran	

The PRESIDING OFFICER. A quorum is present.

The yeas and nays have been ordered. The question is on agreeing to the amendments offered by the Senator from California [Mr. KNOWLAND].

Mr. CARLSON. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. CARLSON. Mr. President, I wish to inquire if the pending question is a vote on the Knowland amendments to the Carlson bill, and a vote "nay" would be a vote for the Carlson bill.

The PRESIDING OFFICER. The Senator is mistaken. The vote is on the Knowland amendments en bloc.

Mr. JOHNSON of Texas. To the Carlson bill.

The PRESIDING OFFICER. Yes; amendments to the Carlson bill.

The yeas and nays have been ordered. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. YOUNG (when his name was called). On this vote I have a pair with the senior Senator from Michigan [Mr. FERGUSON]. If he were present and voting he would vote "yea." If I were per-

mitted to vote, I would vote "nay." I withhold my vote.

Mr. HENDRICKSON (when his name was called). On this vote I have a pair with the senior Senator from Tennessee [Mr. KEFAUVER]. If he were present and voting he would vote "nay." If I were permitted to vote I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. SALTONSTALL. I announce that the Senator from Wisconsin [Mr. WILEY], the senior Senator from Michigan [Mr. FERGUSON], the junior Senator from Michigan [Mr. POTTER], and the Senator from New Jersey [Mr. SMITH] are absent by leave of the Senate.

The senior Senator from Indiana [Mr. CAPEHART] and the Senator from Idaho [Mr. WELKER] are absent on official business.

The Senator from Nebraska [Mrs. BOWRING], the Senator from Maryland [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], the junior Senator from Indiana [Mr. JENNER], the Senator from Connecticut [Mr. PURTELL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

On this vote the Senator from Vermont [Mr. FLANDERS] is paired with the Senator from Alabama [Mr. SPARKMAN], and the Senator from New Jersey [Mr. SMITH] is paired with the Senator from Texas [Mr. DANIEL]. If present and voting, the Senator from Vermont [Mr. FLANDERS] and the Senator from New Jersey [Mr. SMITH] would each vote "yea" while the Senator from Alabama [Mr. SPARKMAN] and the Senator from Texas [Mr. DANIEL] would each vote "nay."

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

The Senator from Texas [Mr. DANIEL], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], and the Senator from North Carolina [Mr. LENNON] are absent on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

I announce that on this vote the Senator from Texas [Mr. DANIEL] is paired with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Texas would vote "nay," and the Senator from New Jersey would vote "yea."

I announce that on this vote the Senator from Alabama [Mr. SPARKMAN] is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Alabama would vote "nay," and the Senator from Vermont would vote "yea."

I announce further that if present and voting, the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Iowa [Mr. GILLETTE], and the Sen-

ator from North Carolina [Mr. LENNON] would each vote "nay."

The result was announced—yeas 16, nays 55, as follows:

YEAS—16

Bricker	Dirksen	Reynolds
Bridges	Duff	Saltonstall
Bush	Hickenlooper	Watkins
Case	Knowland	Williams
Cordon	Martin	
Crippa	Millikin	

NAYS—55

Aiken	Holland	McCarthy
Anderson	Humphrey	McClellan
Barrett	Ives	Monroney
Beall	Jackson	Morse
Bennett	Johnson, Colo.	Mundt
Burke	Johnson, Tex.	Murray
Carlson	Johnston, S. C.	Neely
Chavez	Kennedy	Pastore
Clements	Kerr	Payne
Cooper	Kilgore	Robertson
Dworshak	Kuchel	Russell
Ervin	Langer	Schoeppel
Frear	Lehman	Smathers
George	Long	Smith, Maine
Gore	Magnuson	Stennis
Green	Malone	Symington
Hayden	Mansfield	Thye
Hennings	Maybank	
Hill	McCarran	

NOT VOTING—25

Bowring	Flanders	Purtell
Butler	Fulbright	Smith, N. J.
Byrd	Gillette	Sparkman
Capehart	Goldwater	Upton
Daniel	Hendrickson	Welker
Douglas	Jenner	Wiley
Eastland	Kefauver	Young
Ellender	Lennon	
Ferguson	Potter	

So Mr. KNOWLAND's amendments were rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CARLSON. Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendments.

The CHIEF CLERK. On page 24, beginning with line 24, it is proposed to strike out through line 2 on page 25.

On page 25, line 3, strike out "210" and insert "209."

On page 25, line 9, strike out "Sections 203 and 209" and insert "Section 203."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. CARLSON. Mr. President, the purpose of these amendments is to delete the sections of this bill which deal with the Whitten rider on the fringe benefits, which were taken care of in conference report between the House and Senate.

It is considered necessary by the legislative counsel to strike out the three provisions in order to clarify this bill.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Kansas [Mr. CARLSON].

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSON of Colorado. Mr. President, I offer the amendment which I send forward and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert at the proper place the following new section:

SEC. —. (a) Effective January 1, 1955, the compensation of Senators, Representatives in Congress, Delegates from Territories, and the Resident Commissioner from Puerto Rico, and of the judges of Federal courts, shall be at the rate payable to the heads of the executive departments or the rate payable under any other provision of law, whichever is higher.

(b) As used in this section, the term "Federal court" shall include any court of the United States, as defined in section 451 of title 28 of the United States Code, the Tax Courts of the United States, and the Court of Military Appeals.

Mr. JOHNSON of Colorado. Mr. President, I allocate myself 2 minutes, if necessary.

This is a proposal to raise the salaries of Members of Congress and Federal judges to the rates paid to Cabinet members. In my opinion, such action is fully justified as a cost-of-living increase.

Mr. President, I have not discussed this subject with any other Member of the Senate. I have not discussed it with anyone. I feel that something along this line should be done, so I am proposing it all on my own.

My 17½ years in the Congress have given me an enviable opportunity to pass judgment on congressional pay. At present, and as long as I have been here, Congressmen have received "board and room" pay. I have never complained about my Senate salary, and I do not complain now. I have been, and I am still, too proud of my membership in the Senate to do so. Service in the United States Senate is so attractive to me that I would work for nothing simply to be here and to have this opportunity of serving.

My colleagues feel as I do. That I know. That is as it should be. Ours is truly a labor of love and not a labor for gold, and it should be kept on that basis so far as it is practicable to do so.

It is my contention that labor in the Congress and on the Federal bench, like all other labor, is worthy of its hire. My amendment is offered in that spirit. Perhaps my amendment will not be agreed to. I do not know. But I do know that it should be.

Under the Constitution, unfortunately for Members of Congress, we must fix our own salaries. If the President had the authority to fix our pay, our salaries would be doubled. If anyone in or out of Government, other than Congress, had the authority to determine our pay, there would be no question about a cost-of-living increase in pay for Federal judges and the Members of Congress.

Mr. CARLSON. Mr. President—

Mr. MORSE. Mr. President—

The PRESIDING OFFICER (Mr. Ives in the chair). The Senator from Kansas is recognized.

Mr. CARLSON. Mr. President, I should like to make a point of order against the amendment, on the ground that this bill deals with classified Federal workers and does not deal with the legislative branch of the Government.

Mr. KNOWLAND. Mr. President, I should like to speak on the point of order.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. KNOWLAND. I think the point of order raised by the Senator from Kansas [Mr. CARLSON] is good. I think the amendment is not within the spirit of the unanimous-consent agreement entered into last night, that amendments should be germane. This bill deals only with the question of postal pay and classified service pay. The amendment which has now been defeated dealt with the offsetting revenue. I do not think either the spirit or the letter of the unanimous-consent agreement would permit the entertainment of an amendment of this kind, which I feel is far afield from the proposed legislation before us.

Mr. MORSE. Mr. President, I wish to join in the point of view just expressed by the Senator from California. I think, at least, we can say that by spirit and intent this is a rider, and I cannot imagine anything that could be worse psychologically from the standpoint of the United States than for Congress to pass for itself a salary increase by way of a rider, in the closing hours of this session of the Congress. It is perfectly obvious what millions of persons would say, and rightly so. They would say that we did not face this question forthrightly earlier in the session by going through the hearing process and presenting the case on its merits.

Mr. JOHNSTON of South Carolina. Mr. President, I think the point of order is well taken. We put into our unanimous-consent agreement the words:

Provided, That no amendment that is not germane to the subject matter of said bill shall be received.

I think that is exactly what was meant when the language was included in the agreement.

I believe that our salaries should be increased. How much, is a question for the proper committee to consider. I, for one, if I am on the Post Office and Civil Service Committee, which I suppose I will be—I might be chairman of it—will ask for hearings, and I hope the committee will take up the question, for it has the right to judge the matter.

Mr. BUSH. Mr. President, I wish to associate myself completely with the views of the majority leader and of the Senator from Oregon. We are discussing under the proposed amendment salaries of judges of the United States as well as of Members of the Congress. I do not think those two subject should be considered together. I think Congress is entitled to debate the question of congressional salaries on a clean bill. I very much hope that in view of the unanimous consent agreement the Chair will rule the amendment out of order, so that Congress can debate the question on its merits.

Mr. McCARRAN. Mr. President, more than a year ago a resolution submitted by the Senator from Illinois was passed by the Congress and a commission was appointed to investigate the subject of salaries for Members of the House and Senate and members of the judiciary. The commission held extensive hearings and made a very comprehensive report recommending an increase in the salaries of Members of the Congress and of

the Judiciary. The bill in connection with that report has been on the calendar of the Senate for many months. There was an agreement at one time that it would be taken up. It never was taken up, although the study made by the commission was carefully done, as the report will show. The study made by the commission cost the United States more than \$50,000. The commission's report is something by which every Member of the Congress should be governed.

This amendment, if it is approved, will kill the bill, because it cannot go through at this session of Congress, and the bill be a "dead duck" if the amendment is adopted.

I would gladly take up the bill which is on the calendar and vote for it any time it can be brought up, but to bring the question up in connection with this bill means the destruction of the bill which is pending, and I shall, therefore, vote against the amendment.

Mr. JOHNSON of Colorado. Mr. President, I shall not press the amendment. If Senators are not for it, that is all right. If they do not want to agree to it for psychological reasons, for political reasons, or for any other reasons which may be the standard of voting, that is all right. But I must disagree as to the point of order which has been raised. The title of the bill before us is: "To establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes."

Certainly, the Members of the Senate and the members of the Federal courts are employees or officers of the United States.

Mr. RUSSELL. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. RUSSELL. Mr. President, I wish to say that while I would vote for this proposal as a separate measure, I could not vote to attach it to this measure. From the parliamentary standpoint, I express the opinion that the amendment is clearly in order. It is much more in order from a parliamentary standpoint than was the amendment proposed by the Senator from California for increasing postal rates, against which no point of order was raised. The amendment relates to compensation of Federal employees. I think it is in order and that it is germane. The Senator from Colorado evidently intends to withdraw it, and I hope he does so, because I would have to vote against it. However, I think it is entirely in order.

Mr. CASE. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. CASE. I notice that the distinguished Senator from Colorado spoke of reasons, political and psychological. Will the Senator express an opinion as to whether it would be political or psychological if someone pointed out that Congress reduced the support prices on farm products and also proposes salary increases of this character? Would that be political or psychological?

Mr. JOHNSON of Colorado. I said "psychological," only because that word was used in one of the arguments made

here. I am not talking about psychological reasons on the point of order. Psychological reasons, political reasons, and plenty of other reasons might very well be raised against this proposal, on the ground of merit. But it does not seem to me we should stretch the point of order sufficiently to cover this question.

Mr. MAYBANK. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I had yielded to the Senator from South Dakota. Perhaps he has not concluded his questions.

Mr. CASE. My only observation is that, whether we call it political or psychological, we are asked to approve an amendment which would raise our own salaries, while in the same session we have lowered price supports for farm products.

Mr. JOHNSON of Colorado. I am very glad the Senator raises an objection on the merits and not on the point of order, which I do not think can be sustained. I am glad he is opposed to my amendment for some other reason than that.

The PRESIDING OFFICER. The Chair is ready to rule at any time.

Mr. JOHNSON of Colorado. Mr. President, I wish to yield to the Senator from South Carolina [Mr. MAYBANK].

The PRESIDING OFFICER. The Chair would like to wind up the discussion as soon as possible.

Mr. JOHNSON of Colorado. I yield to the distinguished senior Senator from South Carolina.

Mr. MAYBANK. Mr. President, I thoroughly agree with the Senator from Georgia. I would not vote for the amendment of the Senator from Colorado. I appreciate what the Senator from Colorado has done in connection with the farm bill. The Senator from Colorado did not vote to reduce price supports to the farmers. But I came to the Senate to represent the working people, both in and out of Government, and not to vote for a salary increase for myself.

Mr. JOHNSON of Colorado. The Senator is correct.

Mr. KERR. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Oklahoma.

Mr. KERR. I thoroughly agree with what the Senator has said about the amendment being in order and germane. I wish to associate myself, however, with what the Senator from Georgia [Mr. RUSSELL] and the Senator from South Dakota [Mr. CASE] have said. I could not support the amendment of the Senator from Colorado in view of many considerations, especially the fact that Congress has reduced farm price supports to American farmers.

I join with other Senators in asking my great, generous, and good friend from Colorado to withdraw his amendment.

Mr. JOHNSON of Colorado. I thank the Senator from Oklahoma for his advice and counsel, which I have followed for a long time.

The PRESIDING OFFICER. The Chair is prepared to rule.

Mr. JOHNSON of Colorado. Mr. President, I have the floor on a point of order.

The PRESIDING OFFICER. The Chair is ready to rule at any time.

Mr. JOHNSON of Colorado. I am not eager to have a ruling.

The PRESIDING OFFICER. The Senator will get one in a moment.

Mr. JOHNSON of Colorado. Not until I finish speaking on the point of order.

The PRESIDING OFFICER. The Senator may proceed.

Mr. JOHNSON of Colorado. Of course I will proceed. I have a right to do so, and I am not doing it by way of sufferance; I do it under my own right.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. LANGER. In view of the fact that the Senator from Nevada [Mr. McCARRAN], who is chairman of the subcommittee, has spent many hours of labor on the question, and since the Committee on the Judiciary has studied the question and has held hearings upon it, would not the distinguished Senator from Colorado withdraw his amendment? The Senator may make his motion to bring up the bill at the proper time before adjournment, if he wishes to do so, and if the distinguished majority leader will agree to bring it up. The bill has been on the calendar for several months, as the distinguished Senator has said.

Mr. JOHNSON of Colorado. In reply to the Senator from North Dakota, who has asked a very good question, I may say that I am greatly impressed by the argument made by the Senator from Nevada that the amendment might endanger a very worthy piece of legislation. It might make a "dead duck" out of legislation most of us wish to see enacted by Congress. For that reason, I am very seriously considering the proposal made by the Senator from Nevada that I withdraw the amendment.

But first I wish to hear from other Senators.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Connecticut.

Mr. BUSH. Together with the Senator from North Dakota, I appeal to the Senator from Colorado to withdraw his amendment. The Senate is operating under a limitation of time on amendments, by unanimous agreement.

The Senator's amendment relates to a very important subject. The question of judicial salaries alone, in my opinion, is very important. When the subject of congressional salaries is coupled with it, and when consideration is given to the report to which the Senator from Nevada has referred, and which I have studied closely, I say to the Senator from Colorado that the subject deserves greater consideration than can be given to it under the unanimous-consent agreement. On that basis, I think the point of order should be sustained. I ask the Senator from Colorado kindly to withdraw his amendment, so that the subject can be considered on its own merits, with due time allotted for proper deliberation and debate.

Mr. JOHNSON of Colorado. The request of the Senator from Connecticut is a very sincere one, and his appeal carries great weight with me. I am giving very serious consideration to it now. First, however, I desire to yield—

The PRESIDING OFFICER. The Chair interrupts the Senator from Colorado at this juncture in order to point out that the Senate is operating under a time limitation. On any amendment the time is controlled by the Senator proposing the amendment and a Senator in opposition to it, in accordance with the provisions of the unanimous-consent agreement. To the extent that the debate is on an amendment, that control operates.

A point of order cannot be made until the proponent of the amendment has consumed the time allotted to him, but the Chair can entertain debate on a point of order for his own information, and the time for such debate can be limited at the discretion of the Chair.

The Chair does not wish to terminate the debate, but the Chair asks that the debate be expedited on the point of order.

Mr. JOHNSON of Colorado. I shall be finished in a very short time.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to my friend, the senior Senator from South Dakota, who has an observation to make, no doubt. I shall not take much time, although I have time on the amendment.

The PRESIDING OFFICER. The Senator has time on the amendment; but the discussion now is on a different point. The Senator is not using time now on his amendment.

Mr. MUNDT. I shall take but a moment. I desire to give my esteemed friend from Colorado, whom I have known for many years, a friendly nudge from my part of the country. I hope he will listen to the appeals to withdraw his amendment, not because it is not germane, but because it involves an entirely different issue, a very vital matter pertaining to increases, which I shall vote against, whether it be in the form of an amendment or a bill.

To attach the amendment to the pending bill would defeat the bill in which postal employees are interested, and in which the Senator from Colorado is interested, as he demonstrated on the yeas-and-nays vote. I know he is enthusiastically interested in the pending pay raise bill.

Mr. JOHNSON of Colorado. The Senator's argument carries great weight with me.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Oregon for a question, provided I do not lose the floor. I hope this will be the last request I will have for a question. However, I yield to the Senator from Oregon.

Mr. MORSE. Does not the Senator from Colorado agree with me that the question asked by the Senator from Connecticut [Mr. Bush] is worthy of very favorable consideration? The amendment of the Senator from Colorado really brings up a major issue in

the Senate, and we all know it. It brings up an issue which will take considerable time to debate, because many of us are against the position taken by the Senator from Colorado, in that we believe salaries are high enough, but we also believe that the Senate should give consideration to increasing the accountable tax allowances which are not allowed Senators, but which should be allowed in order that we may render better service to our constituents.

The PRESIDING OFFICER. The Chair does not like to interrupt, but the Chair will have to rule.

Mr. JOHNSON of Colorado. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The Chair thanks the Senator from Colorado.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, it is perfectly agreeable to me to have the remaining time yielded back, although I do not control the time.

The PRESIDING OFFICER. All time is yielded back.

Mr. JOHNSON of Texas. Mr. President, just a moment. Time is not yielded back in one fell swoop.

Is the Senator from Kansas willing to have the remainder of the time yielded back?

Mr. CARLSON. I should like to use 3 or 4 minutes, to make a statement for the RECORD on some of the work which has been done by the 83d Congress pertaining to the Federal workers of the Nation.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that all time be yielded back with the exception of 4 minutes to each side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CARLSON. Mr. President, the 83d Congress has enacted much legislation of great value to the Federal workers of this Nation. The President made many recommendations for legislation that would keep in mind the employer-employee relationship of the Government on the same basis that many benefits have been given employees in private industry.

The fringe benefit bill, the group life insurance program, and unemployment compensation are outstanding in this field.

As chairman of the Senate Post Office and Civil Service Committee, I wish to express my appreciation to both the majority and minority members of that committee for the splendid cooperation they have given me in preparing this legislation for action by the Senate.

The presentation of this legislation to the Senate would not have been possible had I not had the fullest cooperation of every member of the committee.

We have also had the finest cooperation from the various agencies of the Government, which made it possible to secure the information needed in preparing these bills.

Personally, I am indebted to all of these people. It is indeed a pleasure to mention some of the provisions of the various acts that have been approved by Congress.

This morning the Senate approved a pay increase bill, which, if accepted by the House and approved by the President, will further keep faith with the Federal workers of the Nation. The action of the Senate is to be commended.

GROUP LIFE INSURANCE

On a voluntary basis, Federal employees are eligible for insurance coverage in amounts based upon their annual salaries carried to the nearest upper thousand. Employees will pay 25 cents per \$1,000 of insurance every biweekly pay period; the Government will contribute an amount equal to one-half of the employee payment. The law provides double indemnity payment in case of accidental death and payment to employees for loss of sight or limb. No medical examination is required. Employees who leave the service may convert their insurance at standard rates without physical examination. Insurance will be free for employees who retire on immediate annuity after at least 15 years' service, and for employees retired for disability. Employees will pay no premiums after they reach age 65, but life insurance protection will be provided after that age. Beginning at age 65 the amount of life insurance is reduced at the rate of 2 percent a month, but the reduction does not exceed 75 percent of the face amount.

MODIFICATION OF THE WHITTEN AMENDMENT

Restrictions on permanent promotions and on permanent reinstatements of former career employees have been removed. The statutory limit on the number of permanent employees in the executive branch is increased 10 percent above the ceiling of September 1, 1950. These modifications will permit the Civil Service Commission to proceed with its new "career conditional" appointment system and to convert many thousands of present indefinite employees to career status.

INCENTIVE AWARDS PROGRAM

Existing awards programs have been liberalized, made applicable to all employees, and combined for purposes of more aggressive administration. Provision is made for the first time for special awards by the President for exceptionally meritorious service. The Civil Service Commission is responsible for administration of the combined program. Agencies may make awards up to \$5,000. In cases of highly exceptional suggestions, inventions, or superior accomplishments, individual awards may be as much as \$25,000 with approval of the Civil Service Commission.

REPEAL OF ANNUAL LEAVE REDUCTION REQUIREMENT

Employees will no longer be required to reduce accumulations of leave in excess of 30 days. They may maintain the amount of leave they carried over at the beginning of the 1954 leave year. The law also provides that survivors of deceased employees may be paid a lump-sum payment for the employee's accumulated and current annual leave. This provision is retroactive to September 1, 1953.

EXTENSION OF LONGEVITY PAY INCREASES TO GRADES GS-11 THROUGH GS-15

Longevity salary-step increases are authorized for employees in grades GS-11 through GS-15. Previously only employees in grade GS-10 and below were eligible. Longevity step increases may be paid to employees who have been in the same or a higher grade for an aggregate of at least 10 years and who have continuously served the last 3 years at the maximum of their present grade. Three such increases can be earned.

RECRUITMENT AT SALARIES ABOVE THE MINIMUM OF THE GRADE

When employment conditions make it necessary, the Civil Service Commission may authorize appointments to hard-to-fill types of jobs at salary rates above the minimum of the pay grade prescribed by the Classification Act.

ALLOWANCES FOR UNIFORMS

Employees who are required to wear uniforms on the job may be paid an annual allowance up to \$100 a year for purchase of uniforms, if Congress appropriates funds for this purpose.

ABOLISHMENT OF THE CPC SCHEDULE

The crafts, protective and custodial—CPC—schedule of the Classification Act is abolished, and most of the employees now in it will be placed under the wage board system and paid on the basis of local prevailing wage rates—which usually are significantly higher. Some of the CPC jobs will be placed in the General Schedule of the Classification Act. No employee whose job is moved to the General Schedule will lose salary, and most will gain slightly. The changes will eliminate present pay inequities and put Government in a better competitive position in recruitment and retention of blue-collar workers.

INCREASE IN THE NUMBER OF SUPERGRADE POSITIONS

The statutory limit on the number of jobs at the top of the Classification Act ladder—the so-called supergrades—has been increased from 400 to 550. The previous limitation in the Classification Act of 1949 on the number of positions in grades GS-16, 17, and 18 hampered effective administration and created pay inequities among employees, some of whom have been receiving considerably less pay than their work assignments call for.

PREMIUM PAY

The fringe-benefits bill included provisions relating to several types of premium pay:

Overtime: Time and a half for overtime may now be paid on salaries up to \$5,060, the bottom of grade GS-9; over-

time pay at a flat rate equal to time and a half for the top rate of GS-9 may be paid to employees earning annual salaries above that level. Previously the Federal Employees Pay Act provided a time and a half overtime rate only on salaries up to \$2,980.

Extra pay for special groups: Employees with long tours of standby duty, such as firefighters, may be paid up to 25 percent of their annual base pay rates instead of hourly rates of overtime, night, and holiday pay. Employees whose duties require substantial amounts of unscheduled overtime which cannot be administratively controlled (such as investigators of criminal activities) may receive additional annual pay up to 15 percent of base pay rates.

Call-back pay: A minimum of 2 hours' pay at the overtime rate is provided for any employee called in for overtime work on one of his days off or after having finished a regular day's work.

Tours of duty: A statutory statement of policy on work schedules spells out ground rules for scheduling work of employees by agencies within standard tour-of-duty patterns generally found in private industry. The statement makes clear that agencies can make exceptions to these requirements in those instances where they will be seriously handicapped or where costs will be substantially increased.

UNEMPLOYMENT COMPENSATION

Unemployment compensation benefits, similar to those enjoyed by workers in private industry, have been provided for Federal employees for the first time.

All of these benefits have worked to the advantage of Federal employees. Personally I am proud of the record Congress has made in this regard.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement relative to the pay increases for Federal employees since 1943, including other pertinent data.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Postal employees have actually received a total of six wage increases since 1941.

1. 1943-45: A temporary \$300 per annum wartime bonus was in effect during this period.

2. Public Law 134, effective July 1, 1945, incorporated this \$300 wartime bonus and added another \$100 for a total of \$400 permanent increase.

3. Public Law 386, effective January 1, 1946, approved an additional \$400 per annum wage increase.

4. Public Law 900, effective July 3, 1948, approved an additional \$450 per annum wage increase.

5. Public Law 428, effective November 1, 1949, granted an additional \$120 annual wage increase.

6. Public Law 204, effective July 1, 1951, granted another \$400 per annum wage increase.

This brings the total of annual wage increases for postal employees since 1943 to \$1,770. The \$300 wartime bonus of 1943 is part of the \$400 permanent increase granted in Public Law 134, therefore, should not be counted in the total.

In other words, postal employees have received a total of 5 permanent increases since 1945 and 4 since 1946.

Private industry, as represented by United States Steel, received a total of 2 increases during the period 1941-45 and 8 from 1946 to present, or a total of 10, amounting to approximately \$1.09 per hour.

Armour & Co. received 2 wage increases during the period 1941-45 and 11 increases from 1946 to present for a total of 92 cents per hour.

Lockheed Aircraft employees received 3 increases from 1941 to 1945 and 7 increases from 1946 to present for a total of 96 cents per hour.

These three cases seem to be fairly representative of private industry.

The following information is taken directly from President Eisenhower's Economic Report of 1954 to the Congress.

President Eisenhower stated in his economic report that during the period 1939-53 the following increases had been granted in the weekly wages of employees in private industry:

	Percent
Bituminous coal miners.....	258
Building construction workers.....	201
Factory workers.....	200
Hotel workers.....	151
Railroad workers.....	140
Wholesale trade workers.....	139
Retail clerks.....	137
Telephone workers.....	102

During this same period the annual wages of postal employees have increased 94 percent.

The average take-home pay plus longevity for a postal employee with a family and three exemptions in 1939 was \$2,007.47. For the same employee in December 1952 it was \$3,378.78.

It has been determined that the average take-home pay for a postal employee in 1952 should have been \$3,927.60 in order for him to have the same purchasing power as he did in 1939. In other words, the average postal employee is \$548.82 below his 1939 purchasing power. In order to restore to the postal worker his 1939 wage, an increase of \$750 gross is necessary.

The National Association of Letter Carriers conducted a survey of their entire membership of over 100,000 and received a 71.6 percent response.

The results of this survey show that 45 percent of the letter carriers hold additional part-time jobs. Thirty-eight and two tenths percent of the letter carriers' wives are working. Seventy and three-tenths percent of the letter carriers responding stated their debts had increased since the last pay adjustment. Five and five-tenths percent stated their debts had decreased. Eight hundred forty-two dollars and ninety-three cents was given as the average debt (not including home mortgages) of the average letter carrier. Thirteen and nine-tenths percent borrowed on insurance policies, 56.9 percent borrowed money from credit unions and 10.9 percent borrowed money from other sources.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished majority leader.

The PRESIDING OFFICER. Does the Senator from California yield back the remaining time?

Mr. KNOWLAND. The Senator from Texas controls it; I do not. I desire to make a brief statement.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. KNOWLAND. The Senate has voted down the amendments which I offered. I shall not vote for the bill. I

would have been glad to vote for a postal pay increase with offsetting revenues provided to the Government of the United States. I do not believe the proposed legislation which is now before the Senate, and which will soon be before the House, will be enacted into law.

I regret very much that the Senate in its judgment did not adopt my amendments. The Senate did what it is its perfect right to do. The responsibility, under his powers, will rest with the President when the bill reaches him.

The PRESIDING OFFICER. Does the Senator yield back his remaining time?

Mr. CASE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from South Dakota.

Mr. CASE. I merely wish to state that the sentiment expressed by the distinguished majority leader will guide me in my vote, as will the observation which I made with regard to raising congressional salaries. I think that at a time when we are holding down supports for agricultural commodities, and at a time when we do not have the financing to support pay raises, we would be in a bad position if we granted pay raises. Therefore, I shall vote against the bill.

The PRESIDING OFFICER. Is the remaining time yielded back?

Mr. JOHNSON of Texas. I yield back my remaining time.

Mr. CARLSON. I yield back my remaining time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REYNOLDS (when his name was called). On this vote, I have a pair with the senior Senator from Michigan [Mr. FERGUSON]. If the senior Senator from Michigan were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. SALTONSTALL. I announce that the senior Senator from Michigan [Mr. FERGUSON], the junior Senator from Michigan [Mr. POTTER], the Senator from New Jersey [Mr. SMITH], and the Senator from Wisconsin [Mr. WILEY] are absent by leave of the Senate.

The senior Senator from Indiana [Mr. CAPEHART] and the Senator from Idaho [Mr. WELKER] are absent on official business.

The Senator from Nebraska [Mrs. BOWRING], the Senator from Maryland [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], the junior Senator from Indiana [Mr. JENNER], and the Senator from Connecticut [Mr. PURTELL] are necessarily absent.

If present and voting the Senator from Nebraska [Mrs. BOWRING], the Senator from Maryland [Mr. BUTLER], the Senior Senator from Indiana [Mr. CAPEHART], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], the junior Senator from

Indiana [Mr. JENNER], the Senator from Connecticut [Mr. PURTELL], the Senator from New Jersey [Mr. SMITH], the Senator from Wisconsin [Mr. WILEY] would each vote "yea."

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

The Senator from Texas [Mr. DANIEL], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], and the Senator from North Carolina [Mr. LENNON] are absent on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

I announce further that if present and voting, the Senator from Texas [Mr. DANIEL], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Iowa [Mr. GILLETTE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from North Carolina [Mr. LENNON], and the Senator from Alabama [Mr. SPARKMAN], would each vote "yea."

The result was announced—yeas 69, nays 4, as follows:

YEAS—69

Aiken	Hayden	Maybank
Anderson	Hendrickson	McCarran
Barrett	Hennings	McCarthy
Beall	Hickenlooper	McClellan
Bennett	Hill	Millikin
Bricker	Holland	Monroney
Bridges	Humphrey	Morse
Burke	Ives	Mundt
Bush	Jackson	Murray
Carlson	Johnson, Colo.	Neely
Chavez	Johnson, Tex.	Pastore
Clements	Johnston, S. C.	Payne
Cooper	Kennedy	Robertson
Cordon	Kerr	Russell
Crippa	Kilgore	Saltonstall
Dirksen	Kuchel	Smathers
Duff	Langer	Smith, Maine
Dworshak	Lehman	Stennis
Ervin	Long	Symington
Frear	Magnuson	Thye
George	Malone	Upton
Gore	Mansfield	Watkins
Green	Martin	Young

NAYS—4

Case	Schoeppel	Williams
Knowland		

NOT VOTING—23

Bowring	Ferguson	Potter
Butler	Flanders	Purtell
Byrd	Fulbright	Reynolds
Capehart	Gillette	Smith, N. J.
Daniel	Goldwater	Sparkman
Douglas	Jenner	Welker
Eastland	Kefauver	Wiley
Ellender	Lennon	

So the bill (H. R. 7774) was passed.

Mr. LANGER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The question is on agreeing to the motion of the Senator from California to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the bill (S. 1504) for the relief of the estate of Rev. Pang Wha II.

The message also announced that the House had passed the bill (S. 2862) to provide relief for the sheep-raising industry by making special nonquota immigrant visas available to certain skilled alien sheepherders, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7886) for the relief of Mrs. Cecil Norton Broy.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 108) to correct enrollment in H. R. 7840, to amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

- H. R. 1461. An act for the relief of Kenneth McRight;
- H. R. 1980. An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes;
- H. R. 2263. An act to provide certain employment benefits for employees of the Federal Government, and for other purposes;
- H. R. 2781. An act for the relief of Nicholas Matook;
- H. R. 3014. An act for the relief of Dr. Alfred L. Smith;
- H. R. 3232. An act for the relief of Dennis F. Guthrie;
- H. R. 3384. An act for the relief of John B. Daniel, Inc.;
- H. R. 3446. An act for the relief of Mrs. Emily Wilhelm;
- H. R. 6287. An act to extend and amend the Renegotiation Act of 1951;
- H. R. 6290. An act to discontinue certain reports now required by law;
- H. R. 6529. An act for the relief of Raleigh Hill;
- H. R. 7853. An act to permit retired policemen and firemen of the District of Columbia to waive all or part of their relief or retirement compensation;
- H. R. 8647. An act to amend Revised Statutes 4426;
- H. R. 9712. An act granting the consent of Congress to certain New England States to enter into a compact relating to higher education in the New England States and establishing the New England Board of Higher Education;
- H. R. 9924. An act to provide for family quarters for personnel of the military departments of the Department of Defense and their dependents, and for other purposes;
- H. R. 9936. An act making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes; and
- H. R. 10009. An act to provide for the review of customs tariff schedules, to improve procedures for the tariff classification of unenumerated articles, and for other purposes.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. LANGER, from the Committee on the Judiciary, without amendment:

H. R. 9988. A bill for the relief of the Federal Republic of Germany (Rept. No. 2505).

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, August 20, 1954, he presented to the President of the United States the following enrolled bills and joint resolutions:

- S. 45. An act for the relief of Mrs. Merle Cappeller Weyel;
- S. 46. An act for the relief of E. S. Berney;
- S. 361. An act to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes;
- S. 417. An act conferring jurisdiction upon the United States District Court for the District of New Mexico, to hear, determine, and render judgment upon certain claims arising as a result of the construction by the United States of Elephant Butte Dam on the Rio Grande;
- S. 541. An act to extend benefits under the War Claims Act of 1948 to certain classes of persons, and for other purposes;
- S. 555. An act for the relief of Charles W. Gallagher;
- S. 599. An act for the relief of Cpl. Robert D. McMillan;
- S. 820. An act for the relief of the estate of Carlos M. Cochran;
- S. 1042. An act to abolish the Commission for the Enlarging of the Capitol Grounds;
- S. 1183. An act for the relief of John L. de Montigny;
- S. 1203. An act for the relief of Lt. Col. Rollins S. Emmerich;
- S. 2070. An act for the relief of the estate of Givens Christian;
- S. 2083. An act for the relief of Lawrence F. Kramer;
- S. 2147. An act for the relief of Terrence Waller;
- S. 2156. An act for the relief of John Enepekides, his wife, and his son, George;
- S. 2259. An act for the relief of Rev. Charles V. Rossini;
- S. 2266. An act for the relief of Walter P. Sylvester;
- S. 2308. An act to authorize and direct the investigation by the Attorney General of certain offenses, and for other purposes;
- S. 2496. An act for the relief of Harvey Schwartz;
- S. 2553. An act for the relief of Joseph V. Crimi, father of the minor child, Joseph Crimi;
- S. 2632. An act for the relief of the Epes Transportation Corp.;
- S. 2670. An act to provide for the termination of Federal supervision over the property of certain tribes, bands, and colonies of Indians in the State of Utah and the individual members thereof, and for other purposes;
- S. 2693. An act for the relief of Robert Lee Williams;
- S. 2801. An act for the relief of Graphic Arts Corporation of Ohio;
- S. 2980. An act conferring jurisdiction upon the United States District Court for the Southern District of New York to hear, determine, and render judgment upon a claim of the Bunker Hill Development Corp.;

S. 3017. An act for the relief of Thomas Barron;

S. 3064. An act for the relief of the estate of Mary Beaton Denninger, deceased;

S. 3110. An act for the relief of the Portsmouth Sand & Gravel Co.;

S. 3187. An act to authorize the United States of America to quitclaim all its right, title, and interest in and to certain lands in Arizona, except for mineral interests therein, and for other purposes;

S. 3189. An act providing for the conveyance by the United States to the Monterey County Flood Control and Water Conservation District, Monterey County, Calif., of certain lands in Camp Roberts Military Reservation, Calif., for use as a dam and reservoir site and for other purposes;

S. 3245. An act to provide emergency credit;

S. 3251. An act to provide for the conveyance of certain mineral rights to Mrs. Pearl O. Marr, of Crossroads, N. Mex.;

S. 3304. An act conferring jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of the Cuban-American Sugar Co. against the United States;

S. 3329. An act to amend the District of Columbia Police and Firemen's Salary Act of 1953 to correct certain inequities;

S. 3482. An act to amend the District of Columbia Unemployment Compensation Act, and for other purposes;

S. 3494. An act for the relief of the Central Railroad Co. of New Jersey;

S. 3562. An act for the relief of the McMahon Co., Inc.;

S. 3595. An act to direct the Secretary of the Army to convey certain property located in El Paso, Tex., and described as part of Fort Bliss, to the State of Texas;

S. 3627. An act to amend the Civil Service Retirement Act, as amended;

S. 3628. An act to amend Public Law 815, 81st Congress, in order to extend for 2 additional years the program of assistance for school construction under title III of that act;

S. 3629. An act to postpone the effective date of the 3 percent absorption requirements in Public Law 874, 81st Congress, for 1 year;

S. 3712. An act to authorize the Commander, Air University, to confer appropriate degrees upon persons who meet all requirements for those degrees in the Resident College of the United States Air Force Institute of Technology;

S. 3744. An act to change the name of Gavins Point Reservoir back of Gavins Point Dam to Lewis and Clark Lake;

S. 3750. An act to direct the Secretary of the Air Force or his designee to convey certain property located in proximity to San Antonio, Bexar County, Tex., to the State of Texas;

S. 3822. An act to authorize the conveyance to the State of Texas of approximately 9 acres of land in Houston, Tex., to be used for National Guard purposes;

S. J. Res. 147. Joint resolution to establish the Woodrow Wilson Centennial Celebration Commission, and for other purposes; and

S. J. Res. 170. Joint resolution to approve the conveyance by the Tennessee Valley Authority of certain public-use terminal properties now owned by the United States.

BILL INTRODUCED

A bill was introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. LEHMAN:

S. 3892. A bill for the relief of Carmela Rubini Epifano; to the Committee on the Judiciary.

efforts for economic and social betterment.

To all the selfish interests and powerful monopolies, BOB CROSSER would say, in the words of Robert Burns—

Lay the proud usurpers low!
Tyrants fall in every foe!
Liberty's in every blow!
Forward! Let us do, or die!

Mr. PRIEST. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Tennessee [Mr. PRIEST], the whip of the House.

Mr. PRIEST. Mr. Speaker, it has been my pleasure and very great privilege to serve on the Committee on Interstate and Foreign Commerce with the gentleman from Ohio for quite a number of years. During all that association, I found him to be a man of great courage and high principles—a man of keen intellect, devoted to the public interest.

I think his unfaltering devotion to principles, what he believed to be in the public interest, are perhaps outstanding characteristics as far as he is concerned. I have learned a great deal from him. I have learned a great deal with reference to the very important matters coming before that great committee. I shall personally miss him here and miss him on that committee a great deal.

(Mr. PRIEST asked and was given permission to revise and extend his remarks.)

Mr. CANNON. Mr. Speaker, I yield to the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON].

Mrs. FRANCES P. BOLTON. Mr. Speaker, I cannot possibly let the day go by without expressing something of my very warm affection for our distinguished colleague, BOB CROSSER. When my husband came here in 1928, he and ROBERT CROSSER were already great friends. His friendship was deep and lasting and it has been my good fortune to have fallen heir to it. I often wonder whether this "dour Scot" knows how great a pleasure it has been to me to feel that he would sit and talk with me about so many things. Especially have I appreciated the quality of our regard for each other which permitted us to tease each other about this and that as only good friends can.

We are going to miss him. Cleveland is going to miss his representation here in this House. We were truly shocked when we found that his vote had not carried. We felt it always would; but, Bob, you are going to be here with us, because you have been here so long that you have left an imprint on this House of your very deep interest in the welfare of the people which will be a very real challenge to all who follow you. Although I have not been a member of your committee, I have appeared before you where I have always been given every courtesy. It is with the greatest reluctance that we let you go. But perhaps you will take with you something so warm that you will be amazed how often your spirit will come to us here just as ours will go to you wherever you are.

We wish you well whatever you do, wherever you go. May Heaven be ever kind to you.

Mr. CANNON. Mr. Speaker, I yield to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, when I came to the 63d Congress, the gentleman from Ohio [Mr. CROSSER] came to the same Congress. With a slight variation, we have been in the Congress ever since. He and I sought positions on the great Committee on Interstate and Foreign Commerce, which I still think is one of the greatest, if not the greatest, legislative committee in this House. It has a varied and wide jurisdiction. Having served on that committee for 24 years, and as its chairman for 5 years, it has been one of my prides that I have been associated with it and with such outstanding and noble characters as BOB CROSSER. I never knew a man, in or out of private life, that I thought had a higher sense of justice, a greater devotion to the public service, and trying to serve his day and generation well, and make this country better while he lived and leave it better for those who come after, than BOB CROSSER.

I shall miss his personal friendship here. I shall miss his fine, warm personality. I wish for him throughout the years that are allotted to him that his life may lead through green pastures and by still waters.

God bless you, Bob, and keep you many years to come.

Mr. CANNON. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Speaker, for many years it was my pleasure to be associated with my friend, the distinguished gentleman from Ohio on the important committee to which the former great Speaker referred. In my years of service here, I have never been associated with a man who had a broader concept of justice, a deeper sense of responsibility to duty, than has been demonstrated by the gentleman from Ohio. As a result of his service and endeavors his name has become associated with much of the important legislation dealing with matters affecting interstate commerce that is on the statute books today.

He is a man who has the qualities of heart and mind which endear him to the people who know him. He has just as strong friends on one side of the table as he has on the other.

Although he has devoted himself wholeheartedly to his work as a Member of Congress and to his membership on the Committee on Interstate and Foreign Commerce, he has other interests. Some of his interests and mine have followed parallel paths. He is a great student of Andrew Johnson. I like to think of Andrew Johnson and read about him. Bob and I have frequently undertaken to analyze the life and character of that great American. While I can readily recognize that some of our colleagues, BOB, might not share our estimate of that great American, but that is because they have not studied him as much as

you and I and are not as familiar with his real record of achievements.

In all my work on the Committee on Interstate and Foreign Commerce there has never been a time when there was any feeling between BOB CROSSER and me despite at times our divergent views on legislative matters, because everyone respects the opinion and sincerity of BOB CROSSER.

We are going to miss him in this legislative Chamber. There is no man on the Committee on Interstate and Foreign Commerce who will be missed more than BOB CROSSER. He has endeared himself to that particular segment of American life known as railway labor; but in his efforts which caused that great segment of the American people to become endeared to him, he at no time has offended the other segments of our citizenry, or other segments of the industry which has legislative matters pending before that committee.

I, too, want to join the other Members of the House in wishing BOB CROSSER health and happiness as he proceeds on his journey through life which, I am sure, will be more peaceful and restful than have been the 38 years he spent here as a Member of Congress.

I am sure he leaves with the love and affection of every Member of Congress on both sides of the aisle.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks at this point on the life, character, and public service of Mr. CROSSER.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ROONEY. Mr. Speaker, I wish to say a word in tribute to my good friend and distinguished colleague, Hon. ROBERT CROSSER, of Ohio, the ranking minority member and former chairman of the Committee on Interstate and Foreign Commerce.

I have a feeling of deep regret since BOB CROSSER will not be serving with us in the next Congress and I am sure that his many friends in this body feel the same way. When he leaves us at the end of this session, perhaps this evening, we will lose a most distinguished and able statesman. While he has had a commendable record during his 38 years of service, I think the crowning achievement in his long legislative career here in the House was the enactment of the original Railroad Retirement Act. He has every reason to feel proud of being known as the father of railroad retirement. Railroad workers throughout the Nation have a great reverence for this kindly gentleman who for so many years has been one of their best friends and ablest advocates.

My association with him has been most cordial and pleasant and his successful sponsorship of legislative reforms needed by the working men will always stand as a monument to his devotion to their cause. I hope that he will enjoy many more years of good health, happiness,

and the comfort and rest which he has richly earned.

[Mr. CROSSER addressed the House. His remarks will appear hereafter in the Appendix.]

NATIONAL SALVATION ARMY WEEK

Mr. KEATING. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 173) to authorize the President to proclaim the week of November 28, 1954, through December 4, 1954, as National Salvation Army Week.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

Whereas in October of 1879 a lone woman Salvation Army officer, Lt. Eliza Shirley, encouraged the formation of an official party, comprising 7 women officers and Commissioner George Scott Ralton, to extend the work of the Salvation Army in the United States; and

Whereas today the Salvation Army has grown into a huge operation with its 3,996 officers administering 6,400 centers of charitable and religious work assisted by 34,687 prominent citizens of all races and creeds who have formally associated themselves in the close relationship of lay leadership; and

Whereas the Salvation Army, acting under a charter issued by the State of New York in 1899, is an organization designed to operate as a religious and charitable organization with the following purposes: The spiritual, moral, and physical reformation of all who need it; the reclamation of the vicious, criminal, dissolute, and degraded; visitation among the poor and lonely and sick; the preaching of the Gospel and dissemination of Christian truth by means of open-air and indoor meetings: Therefore be it

Resolved, etc., That the President of the United States is requested and authorized to officially proclaim the week beginning November 28, 1954, through December 4, 1954, as National Salvation Army Week.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that my time be postponed until later today, by which time I expect to have certain information that I hope to have before speaking.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

CORRECTION OF ROLLCALL

Mr. HALLECK. Mr. Speaker, I notice that in the RECORD of yesterday, I am shown as not voting on rollcall No. 146. In fact, I was present and answered

to my name and voted in the affirmative. I ask unanimous consent that the RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

RECESS APPOINTMENT OF COMPTROLLER GENERAL

Mr. HALLECK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3868) authorizing the payment of salary to any individual given a recess appointment as Comptroller General of the United States before the beginning of the 84th Congress.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding section 1761, as amended, of the Revised Statutes, any individual appointed by the President to the office of Comptroller General of the United States before the beginning of the first regular session of the 84th Congress may be paid the salary for such office as provided by law.

SEC. 2. This act shall cease to be in effect upon the 41st day following the beginning of the first regular session of the 84th Congress unless prior to such day the President shall have submitted to the Senate a nomination to fill such office.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WHY I CAME TO CONGRESS

(Mr. MILLER of Kansas asked and was given permission to address the House for 1 minute.)

Mr. MILLER of Kansas. Mr. Speaker, I think it is well known, under what unusual circumstances I came to the House of Representatives. It was because inadvertently the House had made an appropriation to build a dam in my district, which the people did not want and they expressed their disapproval by defeating the former Member from that district who had advocated the construction of that dam, and by electing a man who opposed its construction. There came a time when an amendment was offered to an appropriation bill to continue construction of that dam, and it is universally conceded that on account of my activity here that amendment was defeated. Something else has happened since then. The same influences that had brought about the authorization of this dam have also brought about an authorization for two additional dams in my district under exactly similar circumstances. The people out there are absolutely opposed to these dams, as they were and still are opposed to construction of Tuttle Creek Dam. They proved it in the primary campaign. I had no opposition in my party for the nomination, but there was a great deal of rivalry for the nomination on the Re-

publican ticket and the issue was definitely: "Shall these dams be constructed?" The gentleman who was opposed to those dams won by a decisive majority, which shows again that the people—the majority of the Republicans as well as Democrats in that district are still opposed to the building of those dams. The nomination hinged upon that issue.

You Members of Congress passed a bill providing pilot watershed projects to demonstrate the best methods of control of excess water. That program is well under way. It was in the first session of this Congress that you provided for the first time an appropriation of \$5 million to implement the development of these pilot watershed programs, and it is being done. One project is being developed in the valley of the Delaware River, where one of the three big dams is authorized to be built. The people are progressing with it. Last Thursday, they had a demonstration out there in the neighborhood of a little town of less than 200 people. There were perhaps 5,000 people there to see what could be done. Louis Bromfield was there to give the main address. There were soil conservation experts from the surrounding States to observe the success of the project. It was shown conclusively that floods can be prevented by controlling the flow of the water from raindrop to the river channel.

Mr. Speaker, I understand that it is a well-established custom to give due regard to the interests and opinions of the people and the Members of Congress of all the congressional districts. This being the case I am confident that no future Congress will make appropriations to implement construction of these dams now that better methods of flood control are being demonstrated in the various projects authorized and provided for by this preceding Congress. The more than \$150 million that would be necessary to build these dams of questionable value would be more than enough to finance the implementation of modern upstream water control measures and have money left over for channel improvement measures by way of dikes, flow-ways, and bank stabilization, which in all probability would be all the protection necessary for the cities of Topeka, Lawrence, and Kansas City, when the upstream measures have been taken.

Now that the pilot watershed program has proved the effectiveness of upstream water control, I confidently believe that future Congresses will appropriate the necessary funds to develop this program with great speed and efficiency.

ESTABLISHING UNIFORM SYSTEM FOR GRANTING INCENTIVE AWARDS TO OFFICERS AND EMPLOYEES OF THE UNITED STATES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to recognize the gentleman from Kansas [Mr. REES] to move to suspend the rules and pass the bill (H. R. 7774) to establish a uniform

system for the granting of incentive awards to officers and employees of the United States, and for other purposes, as amended by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. WICKERSHAM. Mr. Speaker, reserving the right to object, I should like to inquire of the majority leader, since he is requesting permission to suspend some more rules and have some more unanimous-consent requests, if it would not be possible to consider the Washita project, S. 118, which passed the Senate unanimously, which was strongly recommended by the President of the United States in his budget message, and in which no later than yesterday the Secretary of the Interior stated he favored and which the Department of the Air Force has indicated it is highly essential to the air base at Clinton, Okla.

Would the gentleman consider calling up this measure under unanimous consent or under suspension? Three weeks ago the same bill was reported out of committee by a 10 to 3 vote. At the same time the Rules Committee was meeting and the administration leaders informed us that they would not meet any more. Is there any chance?

Mr. HALLECK. The gentleman has discussed this matter with me several times. My position with respect to it is unchanged. There are a great many measures that will not be acted upon at this session of the Congress for one reason or another. That is all I can say to the gentleman at this time.

Mr. WICKERSHAM. I withdraw my reservation of objection, Mr. Speaker, and trust that the majority leader may reconsider and change his attitude in the future.

Mr. Speaker I wish to read the copy of a letter to the majority leader, which the Air Force delivered to me today.

I quote the letter:

DEPARTMENT OF THE AIR FORCE,
Washington, D. C., August 20, 1954.

Hon. CHARLES A. HALLECK,
House of Representatives,
Washington, D. C.

DEAR MR. HALLECK: My attention has been called to S. 118, a bill "to authorize the Secretary of the Interior to construct, operate, and maintain the initial phase of the Washita River Basin reclamation project, Oklahoma."

A development of an irrigation and reclamation project in this area will undoubtedly have several beneficial effects upon the Clinton-Sherman Air Force Base. We are informed that the water table which serves the wells supplying the airbase has been falling. Thus, the impounding of water may serve as a potential standby for these wells. Furthermore, we envision several thousand military personnel and civilian dependents as ultimately being stationed in the area. Owing to the nonavailability of on-base family housing, it is clear that adjacent communities will be augmented, which in turn will serve to place a further drain on the present water supply in those surrounding communities. Another considerable benefit of this project would be the creation of a potential recreation area for our personnel.

In consequence of the benefits we have mentioned, we feel that passage of this bill

would be in the overall interest of the Department of the Air Force.

Sincerely yours,

JAMES H. DOUGLAS,
Under Secretary.

Mr. SMITH of Virginia. Mr. Speaker, reserving the right to object, does the gentleman know what this new bill is?

Mr. HALLECK. Yes, I think I know fairly well what it is.

Mr. SMITH of Virginia. Would the gentleman impart that same information to the membership of the House?

Mr. HALLECK. Yes. It is a bill, the principal part of which, of course is the Senate amendment, which was just adopted today. It provides in its general terms for a 5-percent increase for postal employees and a 5-percent increase for classified employees. It has certain other features, one of which is the appointment of a commission to study the matter of reclassification.

Mr. SMITH of Virginia. Mr. Speaker, further reserving the right to object, there are 29 Members of the House who, feeling very deeply that it was necessary to reduce expenditures here and balance the budget, went out right far on the limb the other day in order to try and sustain the position of the President of the United States who had the same objective in view, according to his statements.

I would like to know in determining whether I should object to this request or not, whether the President has abandoned his previous expressions of his intent to see that this budget was not further unbalanced by this proposition unless the necessary revenues to meet the payments were included in the bill.

Mr. HALLECK. Let me say to the gentleman, as far as I know, the President has not reversed his position. I think that was expressed in the other body by those qualified to speak there in the debate.

May I also say to the gentleman that as far as I am concerned my personal position has not changed.

I took the position from the beginning that there should be an increase in postal rates, may I say an increase that I think has been long overdue, to offset this cost. That is my present position.

We have all got to be practical.

Mr. SMITH of Virginia. Yes, yes. And this matter of balancing the budget I consider the most practical with which we have to deal.

Mr. HALLECK. Yes, that is right, that is very true.

And may I say to the gentleman he and I have been great friends for a long time, and I will put my record up against his in that regard.

May I also say to the gentleman that in asking this consent request do not get the impression I am indicating support for this bill, because I am not. I want that understood.

It is quite apparent to me that this Congress is not going to adjourn until this measure is acted upon. When the sine die adjournment resolution is adopted, as I hope it will be adopted today after the social-security conference report is acted upon here and acted

upon in the other body, I hope that the amended adjournment resolution which we sent to the other body some days ago will then come before us.

My whole purpose here is to dispose of the matter at this time ahead of the vote on the sine die adjournment resolution in order that our work may be quickly terminated.

Mr. SMITH of Virginia. I am wondering if we will have copies of the bill available when it comes over here.

Mr. HALLECK. I think the amendment was printed in the other body. I am quite sure that it was, and undoubtedly those copies will be available.

Mr. SMITH of Virginia. May I say to the majority leader that his friendship for me is fully reciprocated. I have admired his courage through the years that I have served with him. What I have had to say here is no criticism of the Majority Leader, for whom I have the highest regard and affections; but I would like to repeat that those of us who have felt so deeply, I am sure, the desirability, and the necessity of bringing this budget within reach of balance, it is difficult for us to understand when we support the President at some personal and political sacrifices in his declared efforts to do certain things that will bring that about, it is difficult for us to understand why suddenly the rug is pulled out from under us, leaving us in midair.

Mr. HALLECK. May I say to the gentleman, if he will yield, that the rug is not being pulled out from under anyone.

The gentleman will remember that some days ago we took action on a combined bill. It was the text of both bills that had been reported by the Committee on Post Office and Civil Service. One provided for an increase of rates—and may I say a reasonable increase in rates, a needed increase in rates, and what we conceived to be a reasonable increase in pay for postal employees and provision for reclassification subject to veto of the Congress of the United States.

I did everything in my power to bring that bill to passage because I thought it was right, and the RECORD will disclose that of the Republicans, all but two voted for it. We tried to enact a program, the kind of a program the gentleman from Virginia talks about. We did not succeed in that attempt because there were not enough votes on that side to pass the measure. Here we are confronted with a practical situation. The House of Representatives, not with my vote, passed some days ago a bill for postal employees. The other body by an overwhelming vote, may I say to the gentleman from Virginia—I understand 69 to 4—passed this bill. Under the circumstances, I do not think it is incumbent upon me or the Speaker to take the individual responsibility of saying to the House of Representatives that under those circumstances you cannot act on the measure.

Mr. SMITH of Virginia. Perhaps the gentleman is right, but it does not seem to me to be the proper way to legislate; that is, to bring in a new bill here that

the Members do not know anything about and have never seen and pass it without any opportunity for amendment or discussion.

Mr. DINGELL. Mr. Speaker, reserving the right to object, and I shall not object, I want to ask what I believe to be a pertinent question. I may say to my friend from Indiana, the majority leader, that frankly I am not satisfied even with a 5-percent increase. I think it might well be 7 or 10 percent. We have been lagging behind this program all of these years. But I would like to know now at this late hour that we may finally have an increase in pay for the postal employees and for other classified Federal employees whether the bill provides a retroactive increase in pay or will the pay increase be current or after enactment, and, if so, when?

Mr. HALLECK. I am informed it is current. May I say to the gentleman from Michigan that what we are doing now is to complete the procedure. I take it a second will be demanded, which will give 20 minutes of debate on each side. I do not pretend to be an expert on all features of this bill. We have had a number of things here that have come along rapidly in recent days.

Mr. DINGELL. I am not going to ask for a second because I want to speed up the moment when these employees will know that they are going to get a pay increase.

Mr. SIEMINSKI. Mr. Speaker, reserving the right to object to ask one question: Does this companion bill giving a rate increase with a salary increase encompass the proposition that rates will be increased to wipe out the whole postal deficit, or are we putting this on a special charge account levied against the people, still leaving the commercial users of the mails to run riot to the extent of a deficit of over \$400 million? Do you lump them together or is this a specified rate increase for a specified purpose?

Mr. HALLECK. The bill we brought in under suspension would have raised or would have increased the rates about \$230 million. It would not have wiped out the current deficit of \$400 million. This bill has no provision at all for rate increase. It will cost the Post Office Department and also the taxpayers an additional \$112 million. That is not good business.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AMENDMENT TO SOCIAL SECURITY ACT AND THE INTERNAL REVENUE CODE

Mr. REED of New York submitted the following conference report and statement on the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted

without loss of benefits, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 2679)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 9, 10, 12, 13, 30, 45, 47, 48, 50, 51, 52, 124, 125, 137, 139, 140, 141, 162, 190, 196, 201, 202, 239, 254, 255, 257, 275, and 299.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 6, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 31, 32, 36, 37, 39, 40, 41, 42, 43, 44, 46, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 163, 166, 167, 168, 169, 170, 171, 172, 175, 177, 178, 179, 180, 182, 183, 184, 185, 188, 191, 192, 193, 194, 195, 197, 198, 199, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 258, 259, 260, 261, 262, 263, 264, 267, 268, 272, 273, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 334, 335, 336, 337, 338, 339, and 340 and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "\$100"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with the following amendments:

Restore the matter proposed to be stricken out by the Senate amendment.

On page 4, of the House engrossed bill, strike out lines 20 and 21.

On page 4, of the House engrossed bill, strike out "(C)" on line 22 and insert "(B)."

On page 6, lines 6 and 7, of the House engrossed bill, strike out "(other than the retirement system of the Tennessee Valley Authority)."

And the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with the following amendments:

On page 2, line 10, of the Senate engrossed amendments, strike out "(c) (1)" and insert the following: "(d) (1)."

On page 2, line 15, of the Senate engrossed amendments, strike out "sentence" and insert the following: "sentences."

On page 3, line 6, of the Senate engrossed amendments, strike out "(7)" and insert

the following: "(6) (as renumbered by subsection (g) (1) of this section)."

On page 3, line 7, of the Senate engrossed amendments, strike out "paragraph (7)" and insert the following: "such paragraph (6)."

On page 3, line 9, of the Senate engrossed amendments, strike out "(8)" and insert "(7)."

And the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with the following amendments:

Restore the matter proposed to be stricken out by the Senate amendment.

On page 11, of the House engrossed bill, strike out lines 3 through 9 and insert the following:

"(4) Section 211 (c) (5) of such Act is amended to read as follows:

"(5) The performance of service by an individual in the exercise of his profession as a physician, lawyer, dentist, osteopath, veterinarian, chiropractor, naturopath, optometrist, or Christian Science practitioner; or the performance of such service by a partnership."

And the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with the following amendments:

On page 7, line 10, of the Senate engrossed amendments, strike out "(i)" and insert "(j)."

On page 7, line 12, of the Senate engrossed amendments, strike out "(g)" and insert "(h)."

And the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: On page 8, line 11, of the Senate engrossed amendments strike out "(j)" and insert "(k)"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(l)"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(m)"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment, and on page 23, line 15, of the House engrossed bill strike out "paragraph (2) of"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(j) and (m)"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment, and on page 24, line 6, of the House engrossed bill, strike out "paragraph (2) of"; and the Senate agree to the same.

Amendment numbered 138: That the House recede from its disagreement to the amendment of the Senate numbered 138, and

August 23, 1954

JAMES C. HAGERTY, PRESS SECRETARY TO THE PRESIDENT

THE WHITE HOUSE OFFICELOWRY AIR FORCE BASE
DENVERMEMORANDUM OF DISAPPROVAL

In order that federal workers may not have to undergo a period of uncertainty as to my action on H.R. 7774, "An Act to increase the rates of compensation of classified, postal and other employees of the Government, and for other purposes," I wish to announce that I shall withhold my approval from this bill.

The American people desire to reward properly, even generously, dedicated and faithful service on the part of their Government career employees. In return for the taxes they pay, they expect to have a civil service system that is free of partisan politics, encourages efficient operation, rewards merit, and provides steady pay increases as the value of each employee increases with service and experience. I am wholeheartedly in accord with those desires.

Since taking office, this Administration has developed a personnel program applying the best practices of progressive employers to the requirements of public service. In furtherance of that program, recommendations were made by this Administration to the Congress for reasonable pay increases and adjustments in pay scales. H.R. 7774, is inconsistent with these principles. Unfortunately, the general pay increase proposed by this bill ignores and therefore tends to perpetuate the inequities we must correct.

On February 24, 1954 I approved and promptly submitted to the Congress the program to which I have just referred. It is the broadest and most constructive of its kind ever placed before the Congress. Most of its important provisions were passed at this session and these measures, in themselves, are so important as to constitute a milestone in the improvement of the Civil Service System. These provisions include:

1. For the first time an inclusive system of Group Life Insurance and unemployment compensation benefits similar to those enjoyed by workers in private industry, have been provided for Federal employees.

2. Restrictions on permanent promotions and reinstatements of former career employees have been removed.

3. The statutory limit on the number of employees in the Executive Branch has been adjusted to meet present day needs.

4. The incentive awards programs have been liberalized and made applicable to all employees.

5. Arbitrary restrictions upon the accumulation of annual leave have been repealed.

6. Longevity pay increases have been authorized for all except the three highest classified service grades.

7. An equitable system for overtime pay has been established.

more

(OVER)

These measures not only will benefit our Federal career system and its employees, but also will improve the sound management of the Federal Government, to whose efficiency this Administration is resolutely dedicated. H. R. 7774 is not a part of a progressive and efficient program.

An important part of the Administration's program that was not enacted into law involves general pay increases based upon the purposes of correcting inequities, promoting efficiency and rewarding merit and experience.

In withholding my approval from this bill, I want to make it absolutely clear that the Administration is not departing from the principles and purposes which it has hitherto advocated. I shall continue to urge the enactment of the remaining parts of the personnel program which was submitted to this session of Congress so that obvious distortions in the pay scales of both the postal and classified services can be corrected; so that adjustments and more equitable relationships between grades and steps within those grades can be made, and so that a proper and effective relationship between pay and work performed will be established and maintained.

Legislation is obviously unwise that disregards these principles of sound personnel management and ignores the necessity of revenue to pay for salary increases.

This measure, because it ignores the Administration's recommendations for postal rate increases, would add \$112 million to the cost of operating the Post Office Department which is operating at a deficit of \$400 million this year. It is well to remember that since 1945 the accumulated postal deficit has reached the staggering total of \$4 billion. Likewise, this measure would add more than \$200 million to Civil Service pay without providing any revenue to meet it.

My remarks in Washington on June tenth are now particularly pertinent. I then said, "We hope to uproot the ingrained habit of operating the vast Post Office Department in an extravagantly wasteful and unbusiness-like manner. We cannot permit the deliberate operations of our Postal Department at a gigantic loss because a few are opposed to adequate postal rates. And we must have classification and promotional procedures for postal personnel that will serve the best interest of the Government, the public and the postal workers themselves."

Legislation for pay increases and classification adjustments related to work performed is still vital and urgently needed. The inequities presently existing in pay scales must still be corrected. I shall therefore resubmit to Congress when it convenes in January the recommendations previously made by the Administration, together with such additional recommendations as any change in conditions then existing may warrant.

While this bill is limited to civilian personnel, I must observe, parenthetically, that consideration of a complete Federal personnel program must eventually meet certain imperative needs of the members of the Armed Forces. These patriotic men and women, whose morale, skill and dedication to service are so important to us all, now lack adequate medical care for dependents and reasonable survivorship benefits for their families. It is most important that these needs of Armed Forces personnel, serving their country often in remote corners of the world, engage our serious consideration.

I am confident that the Congress will consider all of these recommendations promptly and that the American people will regard them as fair and just.

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August 23, 1954

JAMES C. HAGERTY, PRESS SECRETARY TO THE PRESIDENT

THE WHITE HOUSE OFFICELOWRY AIR FORCE BASE
DENVERMEMORANDUM OF DISAPPROVAL

In order that federal workers may not have to undergo a period of uncertainty as to my action on H.R. 7774, "An Act to increase the rates of compensation of classified, postal and other employees of the Government, and for other purposes," I wish to announce that I shall withhold my approval from this bill.

The American people desire to reward properly, even generously, dedicated and faithful service on the part of their Government career employees. In return for the taxes they pay, they expect to have a civil service system that is free of partisan politics, encourages efficient operation, rewards merit, and provides steady pay increases as the value of each employee increases with service and experience. I am wholeheartedly in accord with those desires.

Since taking office, this Administration has developed a personnel program applying the best practices of progressive employers to the requirements of public service. In furtherance of that program, recommendations were made by this Administration to the Congress for reasonable pay increases and adjustments in pay scales. H.R. 7774, is inconsistent with these principles. Unfortunately, the general pay increase proposed by this bill ignores and therefore tends to perpetuate the inequities we must correct.

On February 24, 1954 I approved and promptly submitted to the Congress the program to which I have just referred. It is the broadest and most constructive of its kind ever placed before the Congress. Most of its important provisions were passed at this session and these measures, in themselves, are so important as to constitute a milestone in the improvement of the Civil Service System. These provisions include:

1. For the first time an inclusive system of Group Life Insurance and unemployment compensation benefits similar to those enjoyed by workers in private industry, have been provided for Federal employees.
2. Restrictions on permanent promotions and reinstatements of former career employees have been removed.
3. The statutory limit on the number of employees in the Executive Branch has been adjusted to meet present day needs.
4. The incentive awards programs have been liberalized and made applicable to all employees.
5. Arbitrary restrictions upon the accumulation of annual leave have been repealed.
6. Longevity pay increases have been authorized for all except the three highest classified service grades.
7. An equitable system for overtime pay has been established.

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These measures not only will benefit our Federal career system and its employees, but also will improve the sound management of the Federal Government, to whose efficiency this Administration is resolutely dedicated. H. R. 7774 is not a part of a progressive and efficient program.

An important part of the Administration's program that was not enacted into law involves general pay increases based upon the purposes of correcting inequities, promoting efficiency and rewarding merit and experience.

In withholding my approval from this bill, I want to make it absolutely clear that the Administration is not departing from the principles and purposes which it has hitherto advocated. I shall continue to urge the enactment of the remaining parts of the personnel program which was submitted to this session of Congress so that obvious distortions in the pay scales of both the postal and classified services can be corrected; so that adjustments and more equitable relationships between grades and steps within those grades can be made, and so that a proper and effective relationship between pay and work performed will be established and maintained.

Legislation is obviously unwise that disregards these principles of sound personnel management and ignores the necessity of revenue to pay for salary increases.

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